

Village of Lyons, Illinois

A Historic Community with a Vision for the Future



COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR 2019

PREPARED BY: FINANCE DEPARTMENT

VILLAGE OF LYONS, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

December 31, 2019

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INTRODUCTORY SECTION



VILLAGE OF LYONS, ILLINOIS

VILLAGE OF LYONS
PRINCIPAL OFFICIALS
DECEMBER 31, 2019

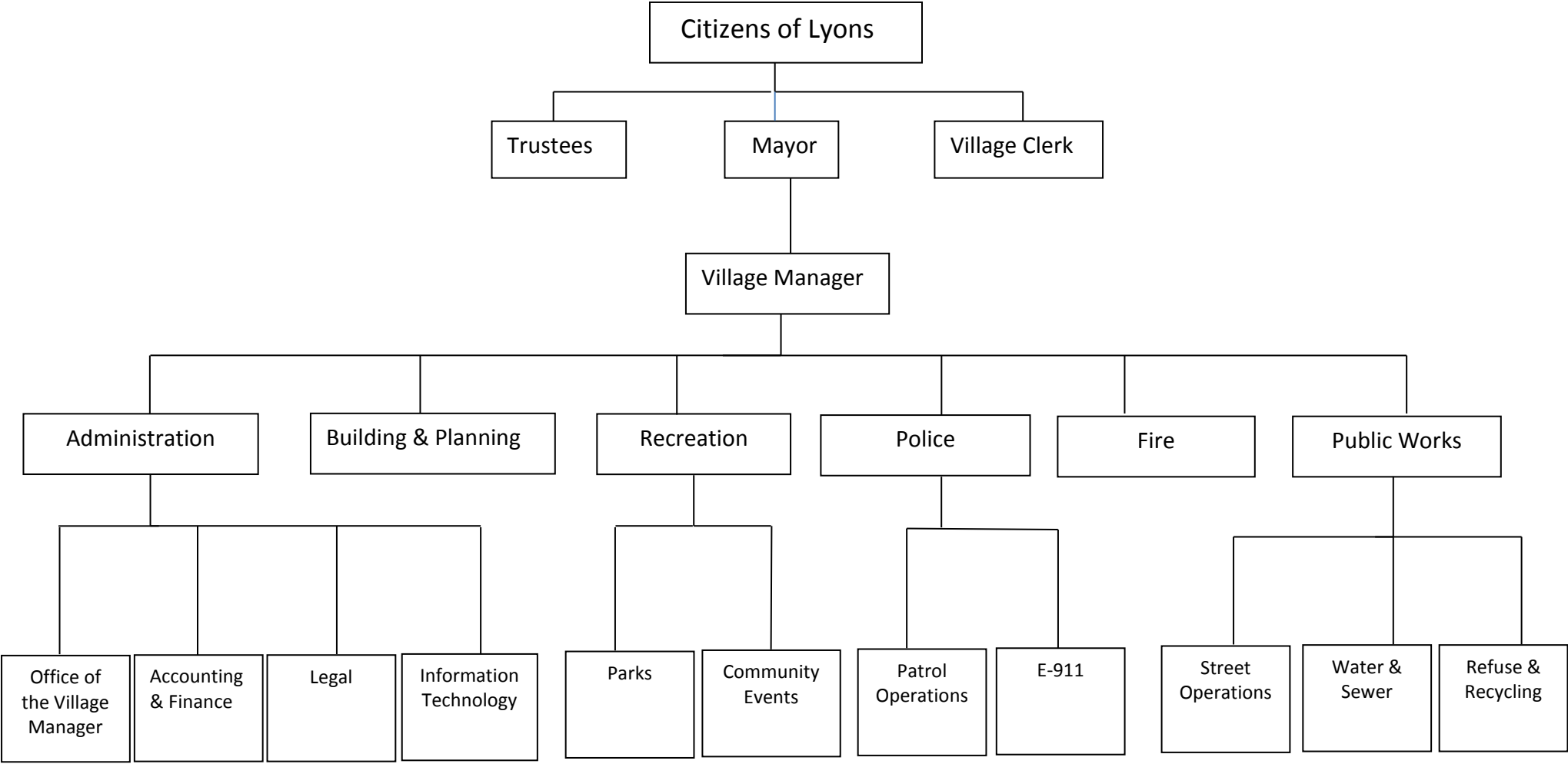
MEMBER OF THE VILLAGE BOARD

CHRISTOPHER GETTY	MAYOR
IRMA QUINTERO	CLERK
PAT ALONZI	TRUSTEE
TERESA ECHEVERRIA	TRUSTEE
DANIEL HILKER	TRUSTEE
PAUL MARCHIORI	TRUSTEE
MIKE KOTUR	TRUSTEE
JAMES VESELSKY	TRUSTEE

DEPARTMENT HEADS

THOMAS SHEAHAN	VILLAGE MANAGER
THOMAS HERION	POLICE CHIEF
GORDON NORD	FIRE CHIEF
JOHN PIERCE	DIRECTOR, BUILDING & PLANNING
TEDDY TALA	DIRECTOR, PARKS & RECREATION
RYAN GRACE	DIRECTOR, PUBLIC WORKS
DANIEL DENYS	DIRECTOR, FINANCE
CHRISTINA BISHOP	ASSISTANT DIRECTOR, FINANCE

**Village of Lyons
Organizational Chart**





Village of Lyons

July 22, 2020

Mayor and Trustees of the Village of Lyons
Lyons Residents and Businesses
Bondholders, Vendors and Other Stake Holders

The Comprehensive Annual Financial Report (the "CAFR") of the Village of Lyons (the "Village") for the year ended December 31, 2019, is hereby submitted. State law, as well as local ordinances and continuing disclosure agreements pursuant to outstanding bond issues, requires that the Village publish a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Responsibility for the accuracy, completeness and the fairness of the financial information, including additional disclosures, rests with Village management. Village management has assumed this responsibility and presents the accompanying CAFR with the expectation that it should provide more than an adequate insight into the operations and financial condition of the Village. By producing a CAFR, the Village has chosen to provide financial information that is significantly greater than that which is required under state law.

At the direction and oversight of the Village Board, Village management has established a comprehensive system of internal controls designed to assure that the assets of the Village are safeguarded against loss, theft or misuse. This system of internal control also assures that the accounting system compiles reliable financial data for the preparation of annual financial statements in conformity with generally accepted accounting principles, and on an interim basis to provide management and the Village Board timely information to manage operations. There are limitations to the internal controls the Village can implement. Accordingly, internal controls are designed to provide reasonable, but not absolute, assurance that the objectives to safeguard assets and provide reliable information are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of the costs and benefits require estimates and judgements by management that may not be abundantly clear.

GW and Associates, P.C. has conducted an audit of the Village and has issued an unmodified opinion on the Village's financial statements for the year ended December 31, 2019. This report is included at the beginning of the Financial Section of the CAFR.

This letter of transmittal should be read in conjunction with management's discussion and analysis that is located after the auditor's report in the front of the Financial Section. This information should provide the most complete assessment of the Village's current financial condition and its future prospects.

The Village and its Services

The Village was incorporated in 1888. The Village is subject to general laws of the State of Illinois which are applicable to all municipalities. The Village is located approximately 12 miles southwest of downtown Chicago and encompasses approximately two square miles. The Village is bordered by the Village of Riverside to the north, the Village of Brookfield to the west, the Villages of Stickney and Forest View and the City of Berwyn to the east, and the Village of McCook to the south.

Legislative authority for the Village is vested in the Mayor and six Trustees (collectively, the “*Village Board*”). The Village Board determines the compensation of all the Village officers and employees, levy taxes, license businesses, appropriate funds, borrow money, and otherwise make all decisions relating to the finances and affairs of the Village. The Mayor casts votes only in the case of a tie or if his attendance is required to have a quorum to conduct business. The Village Manager is the Chief Executive Officer of the Village and possesses the power to appoint officers, develop the Village budget, hire and fire all employees and manage daily operations in the Village Hall. The Finance Department, under the direction of the Village Manager, is responsible for financial operations of the Village. The Mayor and Village Clerk are elected at large for 4-year terms.

The Village Manager appoints the heads of Village departments and serves as Treasurer. The major appointed officials are the Finance Director, Director of Public Works, the Building Commissioner, the Fire Chief, the Chief of Police and Parks Director. The Mayor appoints members to a number of Village boards and commissions with the advice and consent of the Village Board.

Lyons is steeped in earlier historical roots. In 1673 French Explorer Louis Joliet and Jesuit missionary Father Pierre Marquette left Green Bay, Wisconsin by canoe in search of a western passage to the Pacific. As they traveled into the Spanish controlled area of Louisiana, they realized that the mighty Mississippi drained into the already well known Gulf of Mexico. With winter approaching, they headed north as quickly as possible. To save time, the Pottawatomie Indians that were with them encouraged a change in the course to the Illinois River. This short cut led to the Des Plaines River and caused these travelers to discover “Le Portage”. These explorers became famous for their discovery of this half mile wide area of land connecting the Chicago River and the Des Plaines River, over which they could carry their canoes and supplies. Later known as the Chicago Portage, this small area became the “Gateway to the West”, and was used by thousands of early settlers and traders traveling both east and west.

Louis Joliet conceived the idea of constructing a canal to connect the two waterways. This idea was to become a reality 200 years later with the opening of the Illinois—Michigan Canal. Today, a statue stands in Lyons at the Chicago Portage National Historic Site just north of Interstate 55 along Harlem Avenue, commemorating this historic National Heritage Corridor which stretches southwest through LaSalle, Illinois.

Hofmann Tower is one of the most impressive historical sites in the suburban area. This eight story castle-like concrete structure was built in 1908 by George Hofmann, Jr. The tower was the centerpiece of a large recreational area that included powered boat rides, canoeing, picnicking, dancing and orchestral concerts plus a large beer garden. For years, Hofmann Tower was the tallest building west of the Chicago’s Loop and thrilled thousands of visitors with a breathtaking view of Chicago and the surrounding area.

Library facilities are provided in the Village by the Lyons Library. The Village's Park and Recreation Department ("Park Department") owns and operates four Village park sites on 10.5 acres. The Park Department maintains an all-purpose softball and baseball field, little league field, full size football soccer field, two tennis courts, community fitness stations, playground equipment, and a community room at the Village Hall on the park sites. In addition, there are 4.9 acres of open recreation space at the three public elementary and junior high schools located in the Village. There are 420 acres of Cook County Forest Preserve open space that includes a regional water park and numerous picnic facilities. School facilities are provided by School Districts No. 103 (grade school), School District No. 201 (high school) and Community College District No. 527 (junior college). MacNeal Hospital, a division of Loyola Medical, is located in adjacent City of Berwyn. MacNeal is a teaching healthcare facility with approximately 427 beds and provides general medical and surgical services with specialties. Loyola Hospital, a regional trauma center, is located in Maywood to the north of the Village.

Chicago's nearby Loop can be reached in under 20 minutes via Interstates 290 (Eisenhower) and 55 (Stevenson), which pass to the immediate north and south, respectively, of the Village's borders. The METRA BNSF Commuter railway and Pace bus system offers Village residents local and alternative transportation throughout the Chicago area.

The Village provides the full range of municipal services contemplated by statute or charter. These services include public safety, roadway maintenance, refuse disposal, public improvements, planning and zoning, engineering and inspection, water and sewer utility service, youth and certain other social services, and general administrative services.

The Village has a diverse tax base. Commercial and industrial properties account for approximately 30% of the Village's property tax base. More importantly, commercial developments along major arteries of Harlem Avenue, Ogden Avenue and First Avenue generate sales and other taxes that support the Villages operations. The industrial corridor of the Village is located at its southern border along 47th Street.

Economic development has been a major focus of the Village. The Village has established four tax increment financing districts to provide funding to new initiatives over the past twenty years. The major current economic development initiative is to redevelop the Ogden First Avenue Lyons Quarry located on the southeast corner of First Avenue and Plainfield Road/Ogden Avenue. When land reclamation activities are completed, the operator will donate over 48 acres to the Village. In anticipation of this donation, the Village has elected to enhance land reclamation activities to accelerate the ultimate redevelopment of the site. Planning for the exchange is currently underway.

The Accounting System and Budgeting

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Village's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available

to liquidate obligations of the current period and expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are the basis for assessing budgetary compliance. After the end of the fiscal year, the Village's management makes various adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The Village operates under the budget system. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object. The legal level of budgetary control is the department level or, where no departmental segregation of a fund exists, the fund level.

Initially, the Finance Department compiles a draft of Village departmental expenditure budgets based upon the historical spending and initial service requests. These spending plans are reviewed with the Department Heads, the Village Manager and the Mayor. At the same time, the Village compiles an estimate of anticipated revenues for the upcoming budget year. After several reviews and adjustments, the Mayor submits his proposed Village budget to the Village Board for adoption before the start of the fiscal year and the adoption of the property tax levy. A public hearing is conducted on the budget before its adoption.

Starting in 2015, the Village Budget is designed to be structurally balanced. To further achieve that goal, the Village has budgeted a contingency (\$400,000 in 2019) to address unexpected financial issues that could arise. In addition, the Village has targeted new tax revenues to address Village infrastructure issues. However, these funds are only allocated and transferred to the capital development fund only if the Village's general fund will remain balanced.

Infrastructure is an important focus of the Village. The main focus is on identifying and providing resources through the budgeting process to address infrastructure needs. In addition to its existing streams of revenue, the Village issued bonds to finance street, alley, and water system improvements for the current years and beyond. The Village intends to capitalize on new revenue sources to maintain and expand the infrastructure improvement program. Among these sources are the recently enacted 3 cent per gallon local gas tax (effective July 2020), grants from the Metropolitan Water Reclamation District and Cook County Community Block Grant program, increased Motor Fuel Tax allocations that began in 2019 as a result of the statewide increase in motor fuel taxes and registrations, and the Rebuild Illinois Local Bond Fund, which will allocate over \$700,000 to the Village over the next three years. These revenues are initially planned to fund pay as you go capital initiatives rather than supporting future bond issues.

The Village plans to continue its economic development initiatives (most notably, the Quarry) over the next several years. New revenues associated with these developments, such as sales taxes, will contribute to funding future infrastructure needs and other capital projects.

Factors Affecting Economic Condition

Local Economy. As of December 31, 2019, the economic outlook for the Village of Lyons had continued to stabilize since the 2008 recession. However, the Village is evaluating the impact of COVID-19 and its

related shutdowns on the local economy. This analysis is currently ongoing, but the health of local businesses and residents are expected to be impacted. Resident purchasing power, unemployment, and stable performances of local businesses all may have a negative impact on various tax collections by the Village in upcoming years.

Long-Term Financial Planning. The Village relies on its annual budget to provide adequate resources to fund operations and invest in infrastructure improvements. After years of deficits due to the economy and other factors, the general fund operations have stabilized and remain structurally balanced. The Village's budgeting process and spending control (contingency and controlled capital expenditures) should maintain structurally balanced budgets into the future.

Debt management has been a major focus of the Village and affects future operating budgets. The Village has targeted accelerated debt repayment to the extent that resources are available. At the same time, the Village's goal is to minimize the use of general taxes such as sales taxes to support debt repayment.

The other major long term financial planning activity continues to be economic development. The current focus is on the redevelopment of the Ogden First Avenue Lyons Quarry once land reclamation processes are completed. A major portion of the land will be donated to the Village. The key is to accelerate the actual building of projects after the donation.

Financial Policies. The Village has established several specific policies to guide its financial operations. Those policies relate to accounting and financial reporting, budgeting and revenue management, debt management, cash management and investments, and purchasing. Some of the most significant policies include:

- Maintain a diversified revenue structure.
- Adopt structurally balance budgets unless the fund balance exceeds its target.
- Maintain a General Fund unrestricted fund balance of at least 10% of expenditures. This is the initial goal of the Village; over time, a larger balance would be preferred.
- Limit debt repayment to match the revenues being generated from the project.
- Adequately fund pension plans to reduce the impact on future generations.

2019 Accomplishments

The Village is committed to constantly improving the delivery of its services thereby enhancing the quality of life for its residents and the operating environment for its businesses. Among the Village's more notable accomplishments in 2019 were:

- Maintained the Village's "A" rating with S&P with its issuance of 2019 General Obligation bonds. Proceeds from the bonds were being used to restructure debt and fund capital projects in 2019 and beyond, including the Village's share of the 2020 Joliet Avenue resurfacing project.
- Revised utility service rates to ensure more equity amongst user classes and provide more adequate funding to water, sewer and garbage funds. The additional revenues will provide funding for additional capital improvements and address the Village's water loss concerns.

The Village was able to minimize rate increases by utilizing its new water provider, Village of McCook.

- Continued to prioritize funding the Village's pension obligations. As of December 31, 2019, the IMRF pension plan was 97% funded, while funding for the Lyons Police Pension Fund increased to 34%. In 2020, the Village board authorized the issuance of bonds to completely fund the Village's pension plans, highlighting the Village's commitment to obtain 100% funding.
- Maintained a diverse selection of community events for Village residents. These include an annual Father's Day Car show, Fourth of July activities, weekly Music in the Park, Summer Camp, and "Kids Night Out".

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its Comprehensive Annual Financial Report for the year ended December 31, 2018. This is the third consecutive year that the Village has received a Certificate of Achievement from the GFOA. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we will again submit it to the GFOA for evaluation. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

The Village is fortunate to have a professional and dedicated Board of Trustees to guide our Village. The Village administration and its staff takes great pride in serving the Village and performing their duties at the highest levels while maintaining uncompromising integrity and sound financial policies. We sincerely appreciate all of the contributions of the entire business office and department heads in making this document first class. Finally we wish to thank the staff of GW and Associates, P.C. for the guidance and oversight of our audit process and the final presentation of our CAFR.

Respectfully submitted,



Thomas Sheahan
Village Manager



Daniel Denys
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Village of Lyons
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



VILLAGE OF LYONS, ILLINOIS



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of Trustees
Village of Lyons, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Lyons, Illinois as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Village of Lyons, Illinois' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Lyons, Illinois, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in Village net pension liability and related ratios, schedules of Village contributions, schedules of changes in total other post-employment benefits liability, and budgetary comparison information on pages 3–15 and 68–81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Lyons, Illinois' basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

JW & Associates, P.C.

Hillside, Illinois
July 28, 2020

VILLAGE OF LYONS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019

As management of the Village of Lyons, we provide the users of the financial statements this narrative overview and analysis of the financial activities of the Village of Lyons for the fiscal year ended December 31, 2019.

Overall, the financial position of the Village has remained substantially constant compared to 2018. The following highlights and other information illustrate this improvement.

Financial Highlights

- The Village adopted its fourth consecutive structurally balanced budget with no reliance on one time financial infusions or borrowing. This budget includes provisions to fund alternate revenue bonds without using the backup property tax levy, projected shortfalls related to tax increment debt where incremental revenues are not sufficient to service its related debt, and debt service on bonds that funded capital projects from a voter approved non home rule sales tax increase.

The budget has two other major safeguards to protect against deficit spending. First, the budget had a \$400,000 contingency provision to offset spending in excess of budgetary amounts. Since overall spending in expenditures and transfers out was below the overall budget, the Village did not adopt an amended budget. The excess spending in a given budget category was offset by savings in other line items including the contingency in Administration.

The second safeguard is the management of capital spending. In addition to funding capital spending from bonds and grants, the Village plans to fund capital spending in transfers from the General Fund if operations generate sufficient funds. In 2019, there were no additional funds generated from the General Fund for additional capital projects.

Overall, the General Fund had a net budgetary operating surplus of \$79,764. Revenues shortfalls were offset by the \$400,000 budgeted contingency and savings in the Fire and Public Works departments. The unrestricted general fund balance at the end of 2019 was \$1,475,047, or 15.07% of general fund expenditures. This exceeds the Village's current target of 10%.

- General fund revenues increased by 4.36%, or \$451,662, in 2019 compared to 2018. Charges for services increased by approximately 30%, as ambulance service fees in 2019 recovered substantially since 2018. Fines and fees have also recovered since 2018, highlighted by additional parking ticket collections. Although overall tax revenues increased at a steady since 2018, sales taxes decreased by over \$40,000 in 2019, and telecommunication taxes continue to fall year-to-year.
- In fiscal year 2019, total General Fund expenditures remained substantially the same, decreasing by \$40,095. Overall expenditures came in below budget. Contributing factors include salary savings in the Public Works department, partially driven by the retirement of a foreman and equipment operator, and the Fire Department's annual dispatch operations being less costly than originally budgeted. These savings helped to offset expenditures in building and police departments that exceeded their annual budget.
- General obligation bonds, debt certificates, and alternate revenue bonds excluding unamortized premium increased by \$4,670,000 in 2019 to \$33,370,000. The Village issued \$9,680,000 in bonds

VILLAGE OF LYONS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019

in December of 2019; \$3,215,000 of these proceeds was used to refund Series 2007 and 2009B debt. The refunded debt resulted in approximately \$300,000 in overall savings. The remainder of the proceeds is being used to fund capital projects in 2019 and beyond. The Village also repaid \$500,000 on a line of credit with Hinsdale Bank and Trust.

- Overall debt in the enterprise funds decreased by \$65,910 in 2019. Total debt in these funds at the end of 2019 is \$7,496,649. This debt is comprised of loans with the Illinois Environmental Protection Agency and The Village of McCook for water system improvements. McCook water project was completed early in 2019, with monthly repayments beginning shortly thereafter. During 2019, the loan with the Village of McCook increased of \$242,281. Balances on loans through the Illinois Environmental Protection Agency decreased by \$308,191.
- The State of Illinois mandates annual funding to result in 90% of the actuarial liability as of 2040 and ultimately 100% funding by 2050. The annual funding requirement for the Village's pension plans in 2019 was \$1,458,606. Of this amount, the Village funded \$1,338,943 or 92% of the state funding requirements. The shortfall is a result of estimating the tax levy for the required contribution before the funding requirement is known particularly for the Police Pension. Further, the property levy process lags in providing adequate funds particularly for governments such as the Village that are subject to the Property Tax Extension Limitation Law. In 2019, the Regular IMRF Pension plan was underfunded by \$380,754, a significant improvement over underfunding of \$1,525,796 in 2018. The IMRF SLEP was underfunded by \$262,863, and the Net Pension Liability of the police pension fund decreased by \$799,592 to \$19,144,155 or 34.7% funded. Since inception, the Fire Pension plan had operated on a pay as you go basis for its sole beneficiary.
- The Village updated its actuarial valuation of its Other Post-Employment Benefits ("OPEB") during 2019 and recorded the full liability on the Statement of Net Position. The major component of the current OPEB liability is for policemen who become disabled in the line of duty pursuant to the Public Safety Employees Benefits Act. The balance of the cost reflects stipends to retirees to partially fund medical costs from retirement until they are eligible for Medicare.
- There are advances to other funds totaling \$293,000 from the General Fund to the Garbage Fund. These amounts are not expected to be repaid in the next twelve months. Accordingly, the fund balance of the General Fund making the advance have been reserved by the same amount. Further, any future write-off would have no impact on the Village's liquidity or unassigned fund balances. The Village raised garbage user fees to reduce this liability over the next three to five years.

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Overview of the Financial Statements

Government-wide financial statements that consist of Statements of Net Position and Activities found on pages 16 through 17 were developed by the Government Accounting Standards Board in an attempt to provide readers with a broad overview of the Village's financial affairs in a manner similar to a private sector business. The Statement of Net Position presents information on all the Village's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as an indicator of whether the financial position of the Village is improving or deteriorating.

The Statement of Activities presents information showing how the Village's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, police, fire, public works, economic development and recreation. The business-type activities of the Village include water, sewer, and sanitation. The Village also provided emergency dispatch operations until the end of 2018; the operations were then outsourced to Cook County and the Village of Oak Lawn.

The Government-wide Financial Statements do not recognize certain assets such as future TIF revenues that have been used extensively by the Village to fund economic incentives for redevelopment. This practice results in deficits that require additional analysis by the Village's bondholders, creditors, and rating analysts. The Government-wide Financial Statements focus on capital assets and depreciation that are retrospective costs of the Village and have no future benefit. While capital assets serve as collateral for lending in the private sector, they are rarely used for such purposes in the public finance sector.

Fund financial statements are a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into the following three categories:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year.

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The Village maintains four major categories of governmental funds:

- General
- Economic Development (four TIF Districts)
- Debt Service
- Capital Projects

The Village adopts an annual budget ordinance for its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate compliance with this ordinance. The basic governmental fund financial statements can be found on pages 18 through 21 of this report. Schedules detailing revenues, expenditures, and changes in fund balance for the General and Economic Development Fund are shown on pages 68 and 69. Additional detailed schedules of revenues, expenditures, and changes in fund balance for individual governmental funds are included on pages 82 to 95.

Proprietary funds maintained by the Village consist of the following two enterprise funds.

- Water and sewer
- Garbage

Enterprise funds are used to report the same functions presented as business-type activities in the Government-wide Financial Statements. The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 27 through 67 of this report. Other information included in this report includes certain required supplementary information concerning the Village's progress in funding its obligation to provide pension and other post-employment benefits to its employees. Required supplementary information can be found on pages 68 through 81 of this report.

Statement of Net Position

The table on the following page shows the comparison between 2018 and 2019 Statement of Net Position for both governmental and business-type activities.

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	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>
ASSETS						
Cash and cash equivalents	1,169,015	6,762,529	1,687	79,941	1,170,702	6,842,470
Receivables	4,717,388	4,962,418	1,570,378	669,637	6,287,766	5,632,055
Internal balances	1,388,945	838,945	(1,388,945)	(838,945)	0	0
Other asset	146,496	135,268	0	0	146,496	135,268
Capital assets, net of depreciation	<u>45,459,776</u>	<u>46,320,618</u>	<u>11,646,619</u>	<u>11,595,759</u>	<u>57,106,395</u>	<u>57,916,377</u>
TOTAL ASSETS	<u>52,881,620</u>	<u>59,019,778</u>	<u>11,829,739</u>	<u>11,506,392</u>	<u>64,711,359</u>	<u>70,526,170</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>2,438,687</u>	<u>1,735,942</u>	<u>0</u>	<u>0</u>	<u>2,438,687</u>	<u>1,735,942</u>
LIABILITIES						
Accounts payable and other liabilities	2,066,118	1,466,373	362,946	214,233	2,429,064	1,680,606
Interest payable	118,257	83,799	40,567	42,301	158,824	126,100
Current portion of long term debt	<u>1,935,991</u>	<u>2,232,550</u>	<u>354,721</u>	<u>425,556</u>	<u>2,290,712</u>	<u>2,658,106</u>
TOTAL CURRENT LIABILITIES	4,120,366	3,782,722	758,234	682,090	4,878,600	4,464,812
Non current liabilities	<u>54,237,976</u>	<u>58,143,253</u>	<u>7,207,838</u>	<u>7,071,093</u>	<u>61,445,814</u>	<u>65,214,346</u>
TOTAL LIABILITIES	<u>58,358,342</u>	<u>61,925,975</u>	<u>7,966,072</u>	<u>7,753,183</u>	<u>66,324,414</u>	<u>69,679,158</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,881,439</u>	<u>5,068,744</u>	<u>0</u>	<u>0</u>	<u>3,881,439</u>	<u>5,068,744</u>
NET POSITION						
Net Investment in Capital Assets	23,733,886	18,392,615	4,084,060	4,099,110	27,817,946	22,491,725
Restricted						
Public safety	464,913	372,369	0	0	464,913	372,369
Debt service	219,580	70,180	0	0	219,580	70,180
Capital improvement	263,061	5,167,969			263,061	5,167,969
Unrestricted	<u>(31,669,283)</u>	<u>(30,242,132)</u>	<u>(220,393)</u>	<u>(345,901)</u>	<u>(31,889,676)</u>	<u>(30,588,033)</u>
TOTAL NET POSITION	<u>(6,919,474)</u>	<u>(6,238,999)</u>	<u>3,863,667</u>	<u>3,753,209</u>	<u>(3,055,807)</u>	<u>(2,485,790)</u>

The following are the significant changes reflected in the Statement of Net Position:

- As a result of 2019's bond issuance, total assets increased by \$5,671,768 from 2018 to 2019, which is substantially reflected in cash and equivalents. Total liabilities, which increased by \$3,354,744, was also significantly driven by the issuance.
- The unrestricted deficit relates to the economic development funds deficit and the unfunded liability of the pension funds. While there is a future asset associated with TIF activity in the economic development funds (the future incremental taxes) and they are the source of repayment and security for the bonds, GASB does not recognize them as an asset.
- For business-type activities, the unrestricted fund balance's deficit increased by \$125,508. Revenues in these funds are comprised nearly entirely of user fees set by the Village; these rates had previously not been updated since 2014. The Village revised these rates in October of 2019 to more accurately address expenses incurred by these funds. The Village expects that these rate revisions will aid in the recovery of fund balances.

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Statement of Activities

As noted earlier, the Village's Statement of Activities provides a numerical analysis of the Village's financial performance during the year. Revenues are broken down between program revenues and general revenues.

	Governmental Activities		Business-Type Activities		Total	
	2018	2019	2018	2019	2018	2019
REVENUES						
Program Revenues:						
Charges for services	2,228,628	2,409,467	3,783,201	3,761,785	6,011,829	6,171,252
Operating grants and contributions	297,630	379,325	0	0	297,630	379,325
Capital grants and contributions	480,492	34,534	0	0	480,492	34,534
General revenues:						
Property taxes	3,545,512	4,861,203	0	0	3,545,512	4,861,203
Other taxes	6,017,572	5,284,348	0	0	6,017,572	5,284,348
Interest	19,203	23,884	0	0	19,203	23,884
Other Revenues	<u>38,395</u>	<u>22,289</u>	<u>0</u>	<u>0</u>	<u>38,395</u>	<u>22,289</u>
Total revenues	<u>12,627,432</u>	<u>13,015,050</u>	<u>3,783,201</u>	<u>3,761,785</u>	<u>16,410,633</u>	<u>16,776,835</u>
EXPENSES						
General government	1,924,824	2,325,225	0	0	1,924,824	2,325,225
Building, zoning and planning	680,565	795,635	0	0	680,565	795,635
Police protection	5,007,030	4,371,874	0	0	5,007,030	4,371,874
Fire protection	1,369,057	855,003	0	0	1,369,057	855,003
Community development	118,923	33,588	0	0	118,923	33,588
Recreation	425,318	410,522	0	0	425,318	410,522
Public works	1,862,056	2,186,810	0	0	1,862,056	2,186,810
Interest on long-term debt	1,123,097	1,355,918	0	0	1,123,097	1,355,918
Water and sewer	0	0	3,101,517	3,164,295	3,101,517	3,164,295
Garbage	0	0	711,525	707,948	711,525	707,948
Emergency 911	<u>0</u>	<u>0</u>	<u>128,041</u>	<u>0</u>	<u>128,041</u>	<u>0</u>
Total expenses	<u>12,510,870</u>	<u>12,334,575</u>	<u>3,941,083</u>	<u>3,872,243</u>	<u>16,451,953</u>	<u>16,206,818</u>
Change in Net Position before Transfe	116,562	680,475	(157,882)	(110,458)	(41,320)	570,017
Transfers	0	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Position after Transfers	116,562	680,475	(157,882)	(110,458)	(41,320)	570,017
NET POSITION--						
BEGINNING AS RESTATED IN 2018	<u>(7,036,036)</u>	<u>(6,919,474)</u>	<u>4,021,549</u>	<u>3,863,667</u>	<u>(3,014,487)</u>	<u>(3,055,807)</u>
NET POSITION--ENDING	<u>(6,919,474)</u>	<u>(6,238,999)</u>	<u>3,863,667</u>	<u>3,753,209</u>	<u>(3,055,807)</u>	<u>(2,485,790)</u>

Overall, results of the Village's financial performance were more favorable in 2019 than in 2018. In 2019, the change in net assets was \$611,337 more in the prior year, resulting in an overall surplus. The following are the largest contributing factors and most significant changes reflected in the Statement of Activities:

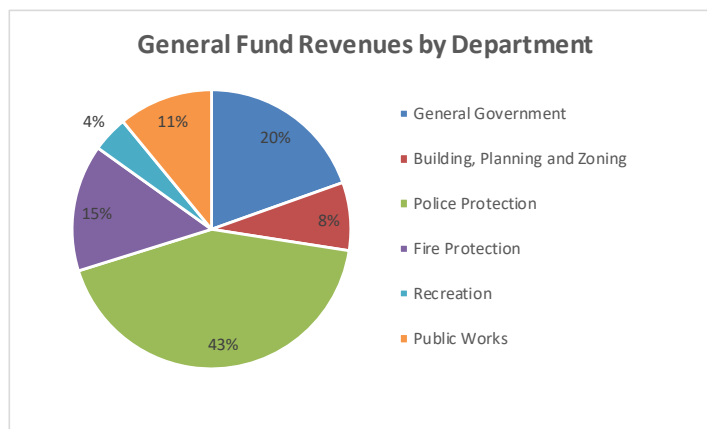
- Property and incremental taxes, the local-share of state municipal sales and income taxes, non-home rules sales taxes, and quarry revenues continue to be the most significant sources of revenue for governmental activities. Incremental revenue in the economic development funds increased by \$272,885 or 31% in 2019.
- Expenditures in the fire and police departments decreased by 24.92% since 2018, offsetting increases in other department. In 2018, the fire department incurred a significant amount of costs preparing for their transition into a new dispatching provider. This transition was completed by the beginning of 2019, and operations were provided by Oak Lawn at a cost that was lower than the Village initially budgeted. Costs in the police department decreased since 2018, largely due to

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the decrease in severance costs to retiring police officers in 2018. The chart below describes the total percentage of expenditures incurred by department.



- Capital grants and contributions in the capital improvement fund was not a significant source of revenue in 2019 as compared to 2018, due in part to the fact that the Village did not participate in the CDBG program in 2019. The Village is participating in the program in 2020.
- Operations of the Village's business-type activities resulted in another deficit. In response to these deficits, the Village revised utility rates for the first time in 5 years. The Village expects that these rate revisions will mitigate such losses going forward.

Another measure of government services is the percent of the operations that are recovered through sources other than general taxation. The following summarizes the cost recovery by the various Village departments:

	Total <u>Expenses</u>	Offsetting <u>Revenues</u>	<u>Percent</u>
General government	2,325,225	1,368,451	59%
Building, zoning and planning	795,635	293,076	37%
Police	4,371,874	440,379	10%
Fire	855,003	282,594	33%
Recreation	410,522	20,914	5%
Public works	2,186,810	4,053	0%

Traditional Fund Accounting

As stated earlier in this statement, the Village and the financial community that monitors the financial matters of the Village use the fund accounting financial statements rather than the government-wide financial statements. The focus is on the generation of cash to meet on-going operations as well as debt payments and economic development.

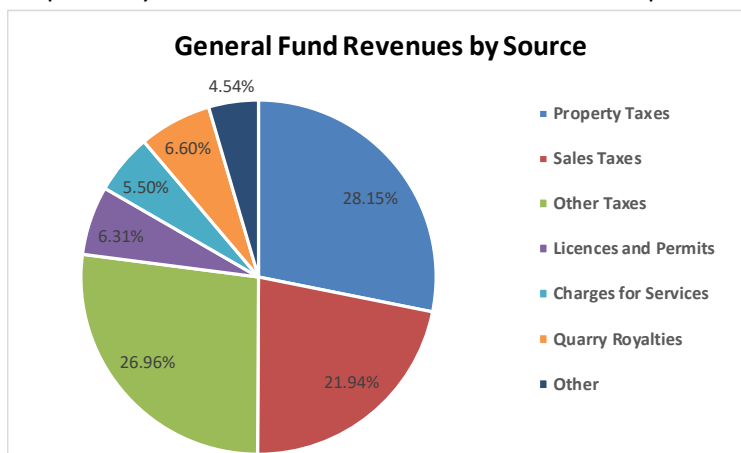
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The Village's main operating fund is its general fund. Most activities are processed through this fund unless there was a restriction in doing so. The following information on the next page outlines the major financial goals that the Village has informally set and the progress to date:

- Increase unrestricted fund balance to 20% of annual General Fund expenditures from the current 10% standard. The Unrestricted Fund Balance as of December 31, 2019 is 15.07%.
- Establish a contingency/rainy day fund to address unforeseen issues. The targeted goal of such a fund would be 10% of General Fund expenditures or approximately \$975,000. Since these funds have not been set aside, the Village has established an alternative annual contingency operating reserve in the General Fund Budget (\$400,000 in 2019). In addition, the Village restricts capital funding from the General Fund until risks of unforeseen issues are reduced and anticipated revenues are realized.
- Improve funding of pension liabilities. The main challenge is that the police pension fund is currently funded at 34%; The Village continued to increase funding in 2019 by levying for the state actuarial funding mandate. As discussed later in this section, the Village is actively pursuing alternative methods to 100% fund the IMRF and police pension funds by the end of 2020 with the issuance of bonds.
- Complete a capital improvement plan for 2021-2025 to address any capital improvement needs beyond those being completed in 2020. Over the last several years, the Village's focus has been on establishing funding to complete road and alley resurfacing and reconstruction and water infrastructure projects. After the completion of the Village's capital projects in 2020, most of these improvements will be substantially completed. A 5-year capital improvement plan will facilitate the planning of remaining capital projects going forward.
- There is no minimum fund balance level for the Economic Development, Capital Projects and Debt Service Funds since these funds have annual funding to meet the assigned obligations. The General Fund provides back up support for any shortfalls in revenues of the Economic Development and Debt Service Funds for their primary obligation to fund debt service. The Capital Projects Fund is to have available funds before embarking on any project.
- In setting rates for business type activities, a 10% coverage provision for certain fixed charges primarily debt service are included. This was incorporated in the new rates set in 2019.



It is a priority of the Village to maintain a diverse source of revenues, as exhibited in the accompanying graph. This is particularly important as the Village reviews the impact of COVID-19 on certain revenues streams. The impact of revenue shortfalls in one area can be minimized by maintaining other independent sources. The most significant revenue sources include

property taxes, sales taxes, income taxes, utility taxes, quarry revenues and charges for services.

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Budgetary Control

The Village Manager is the Chief Budget Officer of the Village and is responsible for overseeing the annual budget for the Village. Upon adoption of the budget by the Village, the Village Manager has the sole responsibility for position control and spending within funds subject to certain limitations. The Finance Department compiles the budgets and financial results to aid the Village Manager achieve budgetary control.

For the fourth year, the Village budget including all anticipated transfers for debt service for debt supported by General Fund Sales taxes and shortfalls of Economic Development Funds in funding debt service is structurally balanced. Budgetary data is constantly monitored with departments responsible to maintain their spending budgets. As mentioned earlier, the Village has established a \$400,000 contingency account to address unforeseen costs. Management goals are to not to spend these contingency funds so they can flow into additional fund balances to achieve fund balance and rainy day goals as well as capital projects. Finally, financial data is reported periodically to the Board. The overall commitment to financial discipline will result in continued success in achieving financial goals.

Actual budgetary results are summarized on pages 82 to 87 for the General Fund. The following are the major variances noted:

- General fund revenues were 5.6% below budget. The Village initially budgeted revenues for red light cameras and rental income on the quarry totaling approximately \$500,000, but these initiatives did not occur. The Village also budgeted \$50,000 for a local gas tax that will not be implemented until July 2020. However, the impact of these lost revenues were offset by additional income tax and quarry revenues, as well as unbudgeted ETSB reimbursements.
- Total general fund expenditures were below budget by \$435,597. Expenditures in the Public Works department came in at \$129,064 under budget, driven by the salary line items; two employees retired and were not replaced until late 2019 and early 2020. Fire Protection came in \$111,143 under budget; volume related to the department's dispatch operations was less than originally anticipated, resulting in costs that were significantly less than budgeted.

Economic Development

The Village has established a priority to address economic development along its major roadways that include Ogden Avenue, Harlem Avenue and First Avenue. Since the Village is land locked, historical efforts have been to redevelop sections of the Village to provide higher levels of property and other taxes. The main financial tool has been to utilize tax increment finance districts. These districts incurred substantial debt as they were developed and the Village restructured the debt to repay the debt at the lowest borrowing rate with limited support from the general fund.

There are several vacant properties within the Village that are targeted for redevelopment. The most significant undertaking is the reclamation of the 48 acre quarry that borders First and Ogden Avenues.

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This quarry accepts construction debris that is not contaminated ("Clean Construction or Demolition Debris" or CCDD). The quarry is estimated to be filled in 2020 or shortly thereafter. At that point, the land will be donated to the Village for use. Planning for this development is currently underway.

There are other properties that the Village will work with owners to redevelop to provide expanded and new uses and property value as well as additional tax revenue to the Village.

Debt Service

The Village has three types of outstanding debt to repay from numerous sources. First, the Village has \$25,333,524 of direct tax supported debt outstanding at the end of 2019. This tax supported debt consists of General Obligation and Limited Tax Bonds with \$4,040,000 outstanding at the end of the year that has dedicated property tax levies to repay the related debt. The Village had also issued Debt Certificates and Alternate Revenue Bonds of which \$19,670,000 are outstanding at the end of the year to fund various general fund projects, particularly the completion of the municipal complex and major road and alley programs funded from the non-home rule sales taxes implemented in 2015 by voter referendum. This debt is secured by the Village's sales and income taxes. As a result of these Debt Certificates and the related sales and income tax pledge, the Village will have fewer resources available to fund general fund operations in the future. Tax Supported Debt is detailed on pages 43 and 44.

The second debt type is Tax Increment Debt. At the end of 2019, this debt consisted of \$9,660,000 of alternate revenue bonds. Due to reduced assessed valuations in 2011 to 2015, the projected incremental taxes are lower than in 2010 when most of this debt was originally issued. Accordingly, the lower assessments resulted in reduced incremental revenues requiring that a larger portion of this debt will be funded through the Village's sales taxes. This resulting shortfall resulted in the extension of the final maturity of the Tax Increment Debt to 2035 to spread out the potential impact of lower sales taxes on the General Fund. The details of the Tax Increment Debt are outlined on page 45 of this report.

The third type of outstanding debt funds the enterprise fund operations of the Village particularly the water and the sewer fund. The Village faces major challenges to upgrade its water infrastructure to comply with current industry standards. For example, water leakage has averaged at 35% of all water purchased in the past several years. The Illinois Environmental Protection Agency target for leakage is substantially lower at eight percent (8%). Addressing this issue would result in savings since the Village has to pass the purchase cost of the water that is lost and not sold to customers. However, compliance is more critical due to international water treaties involving the use of Lake Michigan water. Over the last several years, the Village has been proactive in addressing water loss and any related infrastructure issues. At the end of 2019, the Village has \$7,496,649 in outstanding debt related to such system improvements. \$6,269,368 of this debt is loans with the Illinois Environmental Protection Agency. The remaining \$1,227,281 is a loan with the Village of McCook, the Village's new supplier of Lake Michigan water. The cost of water to the Village through their new provider is expected to provide significant savings to the Village's water fund.

At the end of 2018, the Village had a balance of \$500,000 on a line of credit to bolster cash reserved. This balance was repaid in full in 2019.

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In February 2012, the Village's general obligation bonds were downgraded from AA- to A+ with a Negative Outlook. The reason for the downgrade was the significant depletion of the Village's reserves offset by the commitment and demonstration that the Village had begun to address the ruinous financial policies under the previous Administration. In May 2013, the Village's debt was downgraded again to A based on the financial position of the Village. In December 2014, the Village's debt was downgraded to A- due to the limited amount of unrestricted fund balance. In December 2015 the Village's rating was upgraded to A with Stable Outlook based on the village's improved management practices and budgetary flexibility. The Village maintained this rating in December 2019. The Village's debt outlook and future ratings actions are dependent on restoring financial accountability and internal controls, increasing financial reserves, reducing outstanding debt and net pension liabilities, spending constraints and economic development.

The Village is rated by Standard & Poor's Rating Services. Such ratings reflect only the view of the Rating Agency at the time such ratings were issued and any explanation of the significance of such ratings may be obtained from the Rating Agency at the following address: Standard & Poor's, 55 Water St., New York, NY 10041.

In connection with previous bond issues, the Village entered into Continuing Disclosure Agreements with the underwriters of such bonds to post the annual audit and provide annual financial information on the Municipal Securities Rulemaking Board's (MSRB) Electronic Municipal Market Access (EMMA) portal. EMMA is designated by the U. S. Securities and Exchange Commission as the official source for municipal securities data and disclosure documents. The required annual information is included in this report that will be posted on EMMA when issued.

Pension Plans

At the inception of Village's sponsorship of pension plans primarily in participation in the Illinois Municipal Retirement Fund ("IMRF") and the Police Pension plan, State funding authorization inadequately funded the plans resulting in Net Pension Liabilities, essentially additional debt of the Village. The state funding method adopted in 1994 lacked enforcement mechanisms and did not effectively detail the financial consequences of inadequately funding plans. At the same time, other state laws particularly the Property Tax Extension Limitation Law prevented local governments from raising revenue to adequately fund expenditures including pensions that are mandated by the State.

The Village's amortization of the unfunded liability is based on a "level percent of salary" that is used to calculate the normal pension cost. This application results in "ramped up funding" where mandated pension contributions for existing Village employees' unfunded pension costs are lower in initial years and added to the unfunded liability. This results in a projected increase from the current \$1.2 million funding for unfunded pension costs in 2018 to approximately \$2.6 million in 2040 if all assumptions relative to future salary increases, employee retention, mortality, and investment returns are achieved.

Besides deferring pension contributions, the unfunded liability is impacted by variances of actual results compared to assumptions. Unfavorable variances increase the unfunded liability; favorable variances decrease. The main factors that impact the unfunded liability are investment performance and salary increases. Currently, these variances are incorporated into subsequent actuarial valuations resulting in

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increases or decreases of the contribution to amortize the unfunded liability until 2040. When the pension plans are close to being fully funded, an alternative funding mechanism will need to be developed.

The actuarial funding requirement for the Village's pension plans in 2019 was \$1,681,239. Of this amount, the Village funded \$1,338,943 or 92% of the actuarial funding requirements to fund 90% of the actuarial liability as of 2040 (100% by 2045) as mandated by the State of Illinois since 1994. At the end of 2019, the regular IMRF was underfunded by \$380,794, the IMRF SLEP had a Net Pension Liability of \$262,863 and the Police Pension plan had a Net Pension Liability of \$19,144,155. This is a decrease in Net Pension Liability for these funds of \$799,592 from 2018. Based on these amounts, the Village's IMRF pension plan is 97% funded and Police Pension is 36% funded. Since its inception, the Fire Pension Plan that consists of the survivor of the sole beneficiary is funded on a pay as you go basis.

GASB 68 pension expense reflected in the Statement of Activities for all pension funds is \$2,187,469. The GASB 68 pension expense is higher than the amount funded and expensed in fund financial statements by amounts deferred due to the "ramped up funding" method and by the recognition of variances in the pension funding assumptions in the Statement of Activities. Also, the actual actuarial funding calculation for the Police Pension Plan was not completed until June 2020 forcing the Village to estimate the required contribution in December 2018 from a dedicated property tax levy.

Administratively, the Village adopted a policy to fund the state mandated actuarial "ramp up" liability beginning in 2016 with the funding in 2040 to be extended until full funding is achieved (estimated to be by 2045). The increased pension funding has been incorporated in the Police Department Budget and has been made possible through the restructuring of the police department and the terms of the current police contract.

The Village is exploring other options to accelerate the reduction of the unfunded liability and moderate pension costs over the next 25 years. The following Village actions have reduced the increase in the Police Pension Net Pension Liability and could even reduce normal pension costs:

- Changed the composition of its police force with a great component of part time employees and lateral transfers not eligible to participate in the Police Pension Plan.
- Reduce work force based on elimination of staffing mandates in the contract.
- Lower salary schedule and pension benefits for future hires known as Tier II.

Capital Projects

The Village's capital project fund has had four historical main sources of funding. First, periodic grants from state and Federal sources, primarily the Community Development Block Grant (CDBG) program administered by Cook County have historically funded most street repairs. The Village did not participate in the CDBG program in 2019, but are recipients of the grant in 2020. In addition to the CDBG program, the Village is participating in a cost-share program with the Illinois Department of Transportation to resurface Joliet Avenue in 2020. Funds from the operating budget have supplemented these programs in certain years.

Second, the Village has funded infrastructure from debt. The debt includes general obligation bonds, limited tax bonds, installment contracts, and tax increment bonds including alternate revenue bonds that are secured by a revenue source and general property taxes. In December of 2019, the Village sold bonds

VILLAGE OF LYONS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2019

to fund capital projects in 2019 and beyond. The sale resulted in \$6,565,635 in funds to be utilized by the capital projects fund in coming years. Projects include street, alley, equipment and park improvements.

Third, the Village funds capital projects from operations. No such funds were allocated in 2019 due to budgetary issues in the General Fund over the last several years. The Village anticipates that additional taxes and revenues from economic development, primarily the quarry land reclamation will provide future funding for capital projects.

Finally, the Village's water fund has historically set aside a portion of its water revenue to fund capital costs. As of the end of 2019, the Village completed the first phase of a major water capital improvement program including water main replacements and meter replacements to reduce water loss and maintain system services. The Village completed the switch of wholesale water suppliers to the Village of McCook to further address water losses that are significant at the interconnection with the existing supplier and longer term rate reduction. Additional leak detection work and water main improvements will be prioritized after these projects are completed.

A complete overview of Capital Asset activity is provided on pages 38-40 in the footnotes to the financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Village of Lyons finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Village of Lyons Finance Department, 4200 South Lawndale, Lyons, Illinois 60534.

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	\$ 6,762,529	\$ 79,941	\$ 6,842,470
Receivables	4,962,418	669,637	5,632,055
Internal balances	838,945	(838,945)	-
Prepaid expenses	122,485	-	122,485
Due from pensions	-	-	-
Due from library	12,783	-	12,783
Capital assets not being depreciated			
Land	15,926,369	91,021	16,017,390
Construction in progress	3,027,767	44,254	3,072,021
Capital assets, net of accumulated depreciation			
Buildings and improvements	16,109,239	172,591	16,281,830
Vehicles and equipment	1,652,585	130,133	1,782,718
Infrastructure	9,604,658	10,777,760	20,382,418
Intangible	-	380,000	380,000
Total assets	59,019,778	11,506,392	70,526,170
Deferred Outflow of Resources			
Deferred outflow of resources - pensions	1,068,443	-	1,068,443
Deferred outflow of resources - OPEB	574,110	-	574,110
Call premium on refunded debt	93,389	-	93,389
Total deferred outflows of resources	1,735,942	-	1,735,942
Liabilities			
Accounts payable and other current liabilities	1,465,201	214,233	1,679,434
Accrued interest payable	83,799	42,301	126,100
Due to pensions	1,172	-	1,172
Noncurrent liabilities			
Due within one year			
Accrued compensated absences	130,550	-	130,550
Bonds, notes and other debts	2,102,000	425,556	2,527,556
Due in more than one year			
Net pension liability	20,157,131	-	20,157,131
Other post-employment benefit liability	3,865,749	-	3,865,749
Accrued compensated absences	522,199	-	522,199
Bonds, notes and other debts	33,598,174	7,071,093	40,669,267
Total liabilities	61,925,975	7,753,183	69,679,158
Deferred Inflows of Resources			
Deferred inflows of resources - pensions	1,188,598	-	1,188,598
Deferred inflows of resources - OPEB	225,161	-	225,161
Deferred revenues	3,654,985	-	3,654,985
Total deferred inflows of resources	5,068,744	-	5,068,744
Net Position			
Net investment in capital assets	18,392,615	4,099,110	22,491,725
Restricted for			
Public safety	372,369	-	372,369
Debt service	70,180	-	70,180
Capital improvement	5,167,969	-	5,167,969
Unrestricted	(30,242,132)	(345,901)	(30,588,033)
Total net position	\$ (6,238,999)	\$ 3,753,209	\$ (2,485,790)

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues			Primary Government			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position			
					Governmental Activities	Business-Type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 2,325,225	\$ 1,368,451	\$ -	\$ -	\$ (956,774)	\$ -	\$ (956,774)	
Building, planning and zoning	795,635	293,076	-	-	(502,559)	-	(502,559)	
Police protection	4,371,874	440,379	17,040	-	(3,914,455)	-	(3,914,455)	
Fire protection	855,003	282,594	-	-	(572,409)	-	(572,409)	
Community development	33,588	-	-	-	(33,588)	-	(33,588)	
Recreation	410,522	20,914	-	-	(389,608)	-	(389,608)	
Public works	2,186,810	4,053	362,285	34,534	(1,785,938)	-	(1,785,938)	
Interest and issuance costs	1,355,918	-	-	-	(1,355,918)	-	(1,355,918)	
Total government activities	12,334,575	2,409,467	379,325	34,534	(9,511,249)	-	(9,511,249)	
Business-Type Activities								
Water and Sewer	3,164,295	3,085,858	-	-	-	(78,437)	(78,437)	
Garbage	707,948	675,927	-	-	-	(32,021)	(32,021)	
Total business-type activities	3,872,243	3,761,785	-	-	-	(110,458)	(110,458)	
Total primary government	\$ 16,206,818	\$ 6,171,252	\$ 379,325	\$ 34,534	(9,511,249)	(110,458)	(9,621,707)	
General Revenues and Transfers								
Taxes								
Property taxes					3,709,285	-	3,709,285	
Incremental property taxes					1,151,918	-	1,151,918	
Utility taxes					535,547	-	535,547	
Other taxes					316,677	-	316,677	
Intergovernmental - Unrestricted								
Sales taxes					2,370,918	-	2,370,918	
State income tax					1,145,216	-	1,145,216	
Other State-shared taxes					915,990	-	915,990	
Unrestricted investment earnings					23,884	-	23,884	
Sale of Village assets					7,909	-	7,909	
Other income					14,380	-	14,380	
Total general revenues and transfers					10,191,724	-	10,191,724	
Change in Net Position					680,475	(110,458)	570,017	
Net Position - Beginning of Year					(6,919,474)	3,863,667	(3,055,807)	
Net Position - End of Year					\$ (6,238,999)	\$ 3,753,209	\$ (2,485,790)	

See accompanying notes to financial statements

VILLAGE OF LYONS, ILLINOIS
BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2019

	General Fund	Economic Development	Debt Service	Capital Improvement	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 1,013,060	\$ 150,079	\$ 69,870	\$ 5,529,520	\$ 6,762,529
Receivables					
Property taxes	2,996,821	868	660,612	-	3,658,301
Other taxes	1,028,251	-	-	-	1,028,251
Other receivables	228,769	-	-	47,097	275,866
Prepaid items	122,485	-	-	-	122,485
Due from library	12,783	-	-	-	12,783
Due from other funds	545,945	-	-	-	545,945
Advance from other funds	293,000	-	-	-	293,000
Total assets	<u>\$ 6,241,114</u>	<u>\$ 150,947</u>	<u>\$ 730,482</u>	<u>\$ 5,576,617</u>	<u>\$ 12,699,160</u>
Liabilities					
Accounts payable	\$ 262,740	\$ 67,973	\$ -	\$ 408,648	\$ 739,361
Accrued payroll	106,402	-	-	-	106,402
Other liabilities	613,216	6,222	-	-	619,438
Due to pensions	1,172	-	-	-	1,172
Due to other funds	-	-	-	-	-
Advance to other funds	-	-	-	-	-
Total liabilities	<u>983,530</u>	<u>74,195</u>	<u>-</u>	<u>408,648</u>	<u>1,466,373</u>
Deferred Inflows of Resources					
Deferred revenue	<u>2,994,683</u>	<u>-</u>	<u>660,302</u>	<u>-</u>	<u>3,654,985</u>
Total deferred inflows of resources	<u>2,994,683</u>	<u>-</u>	<u>660,302</u>	<u>-</u>	<u>3,654,985</u>
Fund Balances					
Nonspendable					
Prepaid items	122,485	-	-	-	122,485
Long-term interfund advances	293,000	-	-	-	293,000
Restricted					
Public safety	372,369	-	-	-	372,369
Debt service	-	-	70,180	-	70,180
Capital improvement	-	-	-	5,167,969	5,167,969
Economic development	-	76,752	-	-	76,752
Unassigned	<u>1,475,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,475,047</u>
Total fund balances	<u>2,262,901</u>	<u>76,752</u>	<u>70,180</u>	<u>5,167,969</u>	<u>7,577,802</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 6,241,114</u>	<u>\$ 150,947</u>	<u>\$ 730,482</u>	<u>\$ 5,576,617</u>	<u>\$ 12,699,160</u>

**VILLAGE OF LYONS, ILLINOIS
RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
DECEMBER 31, 2019**

Total Fund Balances - Governmental Funds	\$ 7,577,802
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	46,320,618
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	
Tax supported debt - G.O. bonds	(24,708,523)
Tax supported debt - loans	(625,000)
TIF supported debt - G.O. bonds (Repaid with Alternate Revenue Sources)	(10,366,651)
Accrued compensated absences	(652,749)
Net pension liability from SLEP, fire pension and police pension funding	(20,157,131)
Net liability for other post-retirement benefit	(3,865,749)
Interest on long-term liabilities is shown as an expenditure when paid by the funds, but accrued in the Statement of Net Position.	(83,799)
Deferred outflows and inflows of resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the governmental funds.	228,794
The difference between the reacquisition price and the net carrying amount of refunded debt is a deferred outflow of resources in the government-wide statements but is an expenditure in the funds.	93,389
Net Position of Governmental Activities	<u><u>\$ (6,238,999)</u></u>

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund	Economic Development	Debt Service	Capital Improvement	Total Governmental Funds
Revenues					
Taxes					
Property	\$ 3,042,193	\$ -	\$ 667,092	\$ -	\$ 3,709,285
Incremental property taxes	-	1,151,918	-	-	1,151,918
Utility	535,547	-	-	-	535,547
Other taxes	316,677	-	-	-	316,677
State-shared taxes					
Sales	2,370,918	-	-	-	2,370,918
State income tax allocation	1,145,216	-	-	-	1,145,216
Other State-shared taxes	915,990	-	-	-	915,990
Intergovernmental	29,501	-	-	353,877	383,378
License and permits	682,215	-	-	-	682,215
Charges for services	594,482	-	-	-	594,482
Fines and forfeitures	345,497	-	-	-	345,497
Investment earnings	22,841	-	-	1,043	23,884
Royalties	713,350	-	-	-	713,350
Other revenue	92,159	-	-	34,534	126,693
Total revenues	<u>10,806,586</u>	<u>1,151,918</u>	<u>667,092</u>	<u>389,454</u>	<u>13,015,050</u>
Expenditures					
Current					
General government	1,915,457	-	-	-	1,915,457
Building, planning and zoning	772,773	-	-	-	772,773
Police protection	4,179,721	-	-	-	4,179,721
Fire protection	1,441,340	-	-	-	1,441,340
Community development	-	5,046	-	-	5,046
Recreation	407,031	-	-	-	407,031
Public works	1,070,500	-	-	-	1,070,500
Capital outlays	-	28,542	-	1,659,541	1,688,083
Debt service					
Principal payments	-	-	5,010,000	-	5,010,000
Interest and fiscal charges	-	-	1,269,105	-	1,269,105
Debt issuance costs	-	26,000	63,771	159,009	248,780
Total expenditures	<u>9,786,822</u>	<u>59,588</u>	<u>6,342,876</u>	<u>1,818,550</u>	<u>18,007,836</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,019,764</u>	<u>1,092,330</u>	<u>(5,675,784)</u>	<u>(1,429,096)</u>	<u>(4,992,786)</u>
Other Financing Sources (Uses)					
Bond issuance	-	800,000	2,988,677	5,891,323	9,680,000
Bond premium	-	-	338,707	674,312	1,013,019
Transfers in	300,000	-	2,199,000	-	2,499,000
Transfers out	(1,240,000)	(959,000)	-	(300,000)	(2,499,000)
Total other financing sources (uses)	<u>(940,000)</u>	<u>(159,000)</u>	<u>5,526,384</u>	<u>6,265,635</u>	<u>10,693,019</u>
Net Changes in Fund Balances	<u>79,764</u>	<u>933,330</u>	<u>(149,400)</u>	<u>4,836,539</u>	<u>5,700,233</u>
Fund Balances - Beginning of Year	<u>2,183,137</u>	<u>(856,578)</u>	<u>219,580</u>	<u>331,430</u>	<u>1,877,569</u>
Fund Balances - End of Year	<u>\$ 2,262,901</u>	<u>\$ 76,752</u>	<u>\$ 70,180</u>	<u>\$ 5,167,969</u>	<u>\$ 7,577,802</u>

VILLAGE OF LYONS, ILLINOIS
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ 5,700,233
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the costs of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital asset additions of \$1,545,267 exceeded depreciation of \$674,713 in the current period.	870,554
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The repayment of principal of long-term debt consumes the current financial resources of governmental funds, but has no effect on net position.	5,010,000
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Interest on long-term bonds is shown as a fund expenditure when paid, but is accrued in the Statement of Activities.	34,458
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The issuance of long-term debt is shown as an other financing source in the governmental funds but the principal outstanding is shown as a long-term liability.	(10,693,019)
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Governmental funds report the effect of premiums and discounts when the debt is first issued, whereas these amounts are unavailable and amortized in the statement of activities.	133,345
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The difference between the reacquisition price and the net carrying amount of refunded debt is a deferred outflow of resources in the government-wide statements and amortized in the statement of activities.	(5,837)
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Changes in compensated absences (increase of \$52,204), net pension liabilities and related deferred inflows and outflows (net decrease of \$348,625), and Net other post-retirement benefits liability and related deferred inflows and outflows (net decrease of \$72,838) are not reported as expenditures in the fund statements, but are recorded in the Statement of Activities.	(369,259)
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Change in Net Position of Governmental Activities	\$ 680,475
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VILLAGE OF LYONS, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Water and Sewer	Garbage	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 53,952	\$ 25,989	\$ 79,941
Accounts receivable (net of allowance)	538,164	131,473	669,637
Total current assets	<u>592,116</u>	<u>157,462</u>	<u>749,578</u>
Capital assets			
Non-depreciable	135,275	-	135,275
Depreciable	14,877,211	344,258	15,221,469
Less accumulated depreciation	<u>(3,527,716)</u>	<u>(233,269)</u>	<u>(3,760,985)</u>
Total capital assets, net of accumulated depreciation	<u>11,484,770</u>	<u>110,989</u>	<u>11,595,759</u>
Total assets	<u><u>\$ 12,076,886</u></u>	<u><u>\$ 268,451</u></u>	<u><u>\$ 12,345,337</u></u>
Liabilities			
Current liabilities			
Accounts payable	\$ 165,622	\$ 48,611	\$ 214,233
Due to other funds	545,945	-	545,945
Loans payable, current portion	425,556	-	425,556
Interest payable	<u>42,301</u>	<u>-</u>	<u>42,301</u>
Total current liabilities	<u>1,179,424</u>	<u>48,611</u>	<u>1,228,035</u>
Noncurrent liabilities			
Advance from other funds	-	293,000	293,000
Loans payable	<u>7,071,093</u>	<u>-</u>	<u>7,071,093</u>
Total noncurrent liabilities	<u>7,071,093</u>	<u>293,000</u>	<u>7,364,093</u>
Total liabilities	<u>8,250,517</u>	<u>341,611</u>	<u>8,592,128</u>
Net Position			
Net investment in capital assets	3,988,121	110,989	4,099,110
Unrestricted	<u>(161,752)</u>	<u>(184,149)</u>	<u>(345,901)</u>
Total net position	<u>3,826,369</u>	<u>(73,160)</u>	<u>3,753,209</u>
Total liabilities and net position	<u><u>\$ 12,076,886</u></u>	<u><u>\$ 268,451</u></u>	<u><u>\$ 12,345,337</u></u>

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Water and Sewer	Garbage	Total
Operating Revenues			
Charges for sales and services	\$ 3,085,858	\$ 675,927	\$ 3,761,785
Operating Expenses			
Administration	402,900	125,000	527,900
Operations	2,301,361	518,291	2,819,652
Depreciation and amortization	290,070	64,657	354,727
Total operating expenses	2,994,331	707,948	3,702,279
Operating income (loss)	91,527	(32,021)	59,506
Nonoperating Revenues (Expenses)			
Interest expense	(169,964)	-	(169,964)
Total nonoperating revenues (expenses)	(169,964)	-	(169,964)
Changes in Net Position	(78,437)	(32,021)	(110,458)
Net Position - Beginning of Year	3,904,806	(41,139)	3,863,667
Net Position - End of Year	\$ 3,826,369	\$ (73,160)	\$ 3,753,209

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Water and Sewer	Garbage	Total
Cash Flows from Operating Activities			
Received from customers and users	\$ 3,013,917	\$ 663,609	\$ 3,677,526
Payments to suppliers	(2,186,357)	(251,508)	(2,437,865)
Payments for interfund services	(683,400)	(375,000)	(1,058,400)
Net cash provided by (used for) operating activities	<u>144,160</u>	<u>37,101</u>	<u>181,261</u>
Cash Flows from Noncapital Financing Activities			
Change in interfund receivables/payables	(550,000)	-	(550,000)
Net cash provided by financing activities	<u>(550,000)</u>	<u>-</u>	<u>(550,000)</u>
Cash Flows from Capital and Related Financing Activities			
Acquisition and construction (sale) of capital assets	(292,381)	(11,485)	(303,866)
Interest expense	(168,230)	-	(168,230)
Loan principal payments	(369,042)	-	(369,042)
Loan proceeds	1,288,131	-	1,288,131
Net cash used for capital and related financing activities	<u>458,478</u>	<u>(11,485)</u>	<u>446,993</u>
Net Change in Cash and Cash Equivalents	<u>52,638</u>	<u>25,616</u>	<u>78,254</u>
Cash and Cash Equivalents - Beginning of Year	<u>1,314</u>	<u>373</u>	<u>1,687</u>
Cash and Cash Equivalents - End of Year	<u><u>\$ 53,952</u></u>	<u><u>\$ 25,989</u></u>	<u><u>\$ 79,941</u></u>
Reconciliation of Operating Income (Loss) to			
Net Cash Provided by (Used for) Operating Activities			
Operating income (loss)	\$ 91,527	\$ (32,021)	\$ 59,506
Adjustments to reconcile operating activities to net cash provided (used) by operating activities:			
Depreciation and amortization	290,070	64,657	354,727
Change in accounts receivable	(71,941)	(12,318)	(84,259)
Change in accounts payable	(165,496)	16,783	(148,713)
Total adjustments	<u>52,633</u>	<u>69,122</u>	<u>121,755</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ 144,160</u></u>	<u><u>\$ 37,101</u></u>	<u><u>\$ 181,261</u></u>

See accompanying notes to financial statements

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
DECEMBER 31, 2019

Assets

Cash and cash equivalents	\$ 271,587
Interest receivable	27,197
Other receivables	1,183
Investments, at fair value	
U.S. treasuries	1,041,155
U.S. governmental agencies securities	1,485,186
State and local government securities	261,194
Corporate bonds	2,344,593
Mutual funds and equities	4,728,150
Total assets	<u>10,160,245</u>

Liabilities

Accounts payable	<u>2,435</u>
Total liabilities	<u>2,435</u>

Net Position Restricted for Pensions

\$ 10,157,810

VILLAGE OF LYONS, ILLINOIS
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

Additions

Contributions	
Employer	\$ 1,165,640
Plan members	90,495
Transfer from other plan	620,788
Total contributions	<u>1,876,923</u>
Investment Income	
Interest earned	259,182
Net appreciation in	
Fair value of investments	1,222,805
Less investment expense	(16,120)
Net investment earnings	<u>1,465,867</u>
Total additions	<u>3,342,790</u>

Deductions

Administration	35,534
Benefits and refunds	<u>2,227,175</u>
Total deductions	<u>2,262,709</u>

Change in Net Position

1,080,081

Net Position Restricted for Pensions

Beginning of Year	<u>9,077,729</u>
End of Year	<u>\$ 10,157,810</u>

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VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Lyons, Illinois (the "Village") have been prepared in conformity with accounting principles generally accepted in the United States of America (hereinafter referred to as generally accepted accounting principles ("GAAP")), as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

Reporting Entity

The Village is a municipal corporation governed by a seven-member board consisting of six trustees and the mayor. The Village adheres to the provisions of the GASB Statement No. 61, "The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34" which modifies certain requirements for inclusion of component units in the financial reporting entity. An organization is considered a component unit of the primary government if 1) the government appoints a voting majority of the organization's board and there is a financial benefit or burden relationship or the government is able to impose its will on the organization or 2) the organization is fiscally dependent on the government and there is a financial benefit or burden relationship or 3) the government determines that it would be misleading to exclude the organization from its financial statements.

Per the criteria above, the Village reports the following Pension Trust funds as component units:

Lyons Police Pension Fund- The Village's sworn police employees participate in the Lyons Police Pension Fund (LPPF). The LPPF functions for the benefit of these employees and is governed by a five-member pension board. The Village and LPPF participants are obligated to fund all LPPF costs based upon actuarial valuations. The benefit levels are established by state statute and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels subject to state law. The LPPF is reported as a pension trust fund. Separate annual financial statements are available for the fund.

Lyons Firefighters' Pension Fund – The spouse of the late former fire chief is the sole eligible participant in the Lyons Firefighters' Pension Fund (LFPF). The LFPF functions for the benefit of this beneficiary and is governed by a two-member pension board. The Village and LFPF participant are obligated to fund all LFPF costs based upon actuarial valuations. The benefit levels are established by state statute and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels subject to state law. The LFPF is reported as a pension trust fund. Separate annual financial statements are not prepared for the fund.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with legal and contractual provisions. The funds are maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary, and fiduciary.

Governmental funds are used to account for most of a Village's general activities including the collection and disbursement of earmarked monies (Economic Development Fund), the servicing of general long-term debt (Debt Service Fund), and the acquisition and construction of major capital projects (Capital Projects Fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector where the determination of net income is deemed useful by the Village to sound financial administration. Goods or services from such activities are provided to customers (Enterprise Funds).

Fiduciary funds are used to account for assets held on behalf of outside parties. The pension trust fund accounts for the activities of the Police and Fire Pension funds which accumulates resources for pension benefit payments to qualified public safety employees.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity, excluding certain interfund services provided and used, are eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for services.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other revenues not properly included among program revenues are reported instead as general revenues.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. All individual governmental funds and individual enterprise funds are reported as major funds in separate columns in fund financial statements.

The Village reports the following major governmental funds:

General Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Economic Development Fund reports the activity and position of the Village's four Tax Increment Financing Districts, including operations and Debt Service activity funded by TIF resources.

Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt, excluding those being financed with Enterprise activities.

Capital Improvement Fund reports financial resources and capital expenditures other than those in Tax Increment Financing Districts or Enterprise activities.

The Village reports the following major proprietary funds:

Water and Sewer Operations Fund accounts for the provision of water and sanitary sewer services to the residents of the Village.

Garbage Fund accounts for sanitation services provided to Village residents, primarily funded through user fees.

The Village reports the following fiduciary fund:

Pension Trust Funds are reported as fiduciary funds and account for the Police and Firefighters' retirement funding, investment activity, and benefit payments.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measureable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 90 days of the end of the current fiscal period (60 days for property taxes). Availability for grant revenues is extended up to 180 days depending upon the length of time necessary for funding agencies to remit reimbursements. Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures are recorded only when payment is due.

Property taxes, income taxes, telecommunications taxes, local use taxes, utility taxes, sales taxes, franchise taxes, motor fuel tax allotments, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measureable and available only when cash is received by the Village.

The Village reports unearned revenue on its financial statements. Unearned revenues arise when potential revenue does not meet both the “measureable” and “available” criteria for recognition in the current period.

Unearned revenues also arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability for unearned revenue is removed from the combined balance sheet and revenue is recognized.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund’s principal ongoing operations to determine operating income or loss. Non-operating items such as interest income, interest expense, and sales of assets are separately disclosed in determining the change in net position.

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that capital outlays are budgeted in enterprise funds, while depreciation is not budgeted. Annual budgets are adopted for governmental, proprietary, and fiduciary funds. All unencumbered appropriations lapse at the fiscal year end.

Cash and Cash Equivalents

The Village considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value in accordance with GASB Statement No. 72.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/ from other funds" (i.e., the current portion of interfund activity) or "advances to/ from other funds" (i.e., the non-current portion of interfund activity).

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not expendable available financial resources.

Prepaid Items

Payments to vendors for services that will benefit periods beyond the year end are reported as prepaid items. Prepaid items are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaid items are recorded as expenditures when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Governmental Activities	
Buildings and Improvements	40 years
Machinery, Vehicles and Equipment	5 - 10 years
Infrastructure	20 - 50 years
Business-Type Activities	
Water and Sewer System	10 - 60 years

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

The Village's employees earn vacation leave annually either on their employment anniversary date or on a calendar year which is to be used in the following year. Generally, carryover of unused vacation days beyond a year is limited. An employee is paid for any unused vacation leave upon separation. In addition, employees earn sick hours annually. Amounts not used can be accumulated up to 920 to 1,000 hours depending on employment contract. Such amounts are payable to employees upon retirement or termination by the Village without cause. The general fund is used most often to liquidate the liability within the governmental funds. A liability has been reflected in the government-wide financial statements as accrued compensated absences. The total amount of compensated absences shown as due within one year generally relates to vacation time due to the Village policy limiting carryover of balances from year to year.

In accordance with provisions of GASB Statement No. 16, "Accounting for Compensated Absences," no liability is recorded for non-vesting accumulating rights to receive compensated absences balances.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, the proceeds of debt are reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures in funds where proceeds are reported.

Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Future actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity and Net Position

In compliance with Governmental Accounting Standards Board (GASB) Statement No. 54, *"Fund Balance Reporting and Governmental Fund Type Definitions"*, the fund balance section of the balance sheet of the governmental funds includes the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other governments as well as limitations imposed by law through constitutional provision or enabling legislation.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the Village, the Board is the highest level of decision making. As of December 31, 2019, the Village has not committed fund balance for any purpose.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the official designated by the Village Board for that purpose. As of December 31, 2019, the Village Board has not designated an official for that purpose. It also includes all remaining amounts that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither classified as restricted or committed.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. Negative fund balances in governmental funds other than the general fund are also unassigned.

If there is an expenditure incurred for purposes for which restricted, committed, assigned, or unassigned fund balance classifications could be used, then the Village will consider restricted fund balance to be spent first, then committed fund balance, then assigned fund balance and finally unassigned fund balance.

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction, or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

In cases where either restricted or unrestricted funds can be used to pay expenses, restricted funds will be used first until exhausted. The Unrestricted Net Position of Governmental Activities is impacted by deficits resulting from issuance of TIF Debt, as the proceeds from TIF Debt did not generally result in Capital Assets of the Village.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Inflows/Outflows of Resources

The Village reports deferred inflows of resources on the government-wide and fund financial statements. Deferred inflows of resources are recorded when assets are acquired that apply to a future reporting period. Property taxes which have been deemed to be measurable but not available or have been levied for use in the subsequent period represent deferred inflows of resources. In addition, the fund financial statements report deferred inflows of resources for potential revenues that have not met both the “measurable” and “available” criteria for recognition in the current period. Finally, the government-wide financial statements also report deferred inflows related to pensions and OPEB.

The Village reports deferred outflows of resources on the government-wide financial statements. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The items that qualify for reporting in this category for the Village relate to the Village’s pension plans and to call premiums on refunded debt.

Property Taxes

Property taxes for 2019 are levied in December 2018 and attach as an enforceable lien on the property on January 1, 2019. Tax bills are prepared by the County and issued on or about February 1, 2019 and July 1, 2019 and are payable in two installments on or about March 1, 2019 and August 1, 2019. The county collects the taxes and remits them periodically to the Village. For governmental fund types and governmental activities, only property taxes which are intended to finance the current fiscal year and collected within 60 days subsequent to year end are recorded as revenue.

Comparative Data

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of changes in the Village’s financial position and operations.

NOTE 2 – LEGAL COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

As of December 31, 2019, the Garbage Fund had a deficit fund balance of \$73,160. The Garbage Fund deficit results from user fees not providing for full costs of operations, particularly equipment costs. The General Fund advanced funds to cover these costs. Such advances are intended to be received from rate increases.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS

State statutes authorize the Village to make deposits/investments in obligations of the U.S. Treasury and certain of its Agencies, federally insured commercial banks, insured credit unions located within the State, repurchase agreements, short-term obligations (180 days) of corporations organized in the U.S. with assets exceeding \$500 million and rated within the three highest classifications by at least two standard rating services at the time of purchase, a Public Treasurer's Investment Pool created under Section 17 of the State Treasurer Act, a fund managed, operated and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company, obligations of the State of Illinois and its political subdivisions and money market mutual funds registered under the Investment Company Act of 1940, provided the portfolio of such funds is limited to obligations described above. Pension funds may also invest in certain non-U.S. obligations and Illinois life insurance company general and separate accounts and domestic equities.

The Village's cash and cash equivalents were invested as follows at December 31, 2019:

	Village	Pension Trust Funds	Total
Cash on Hand	\$705	\$0	\$705
Bank Accounts	1,594,852	13,305	1,608,157
Money Market Funds			
Illinois Funds	5,246,913	883	5,247,796
Charles Schwab	0	257,399	257,399
Total Cash and Cash Equivalent	<u>\$6,842,470</u>	<u>\$271,587</u>	<u>\$7,114,057</u>

The Police Pension Fund has the following recurring fair value measurements as of December 31, 2019:

	<u>Fair Value Measurements Using</u>			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	December 31, 2019			
Debt Securities:				
U.S. Treasuries	\$1,041,155	\$1,041,155	\$0	\$0
U.S. Agencies	1,485,186	0	1,485,186	0
Corporate Bonds	2,344,593	0	2,344,593	0
State and Local Obligations	261,194	0	261,194	0
Equity Securities:				
Mutual Funds	4,728,150	4,728,150	0	0
Total Investments	<u>\$9,860,278</u>	<u>\$5,769,305</u>	<u>\$4,090,973</u>	<u>\$0</u>

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Village's deposits would not be returned to it. The Village has adopted a policy which limits deposits to those that are federally insured, collateralized or backed by the United States of America. The Finance Director continually evaluates financial health of each depository, and the Board of Trustees approves depositories. Not more than 50% of the total portfolio may be maintained in a single institution. At December 31, 2019, Village deposits, Firefighters' pension deposits, and Police pension deposits were fully insured and collateralized with a letter of credit from the Federal Home Loan Bank of Chicago. Investments in funds consist of marketable securities held by trust banks pursuant to trust custodial arrangements.

The Illinois Funds Money Market Fund is an external investment pool developed and implemented in 1975 by the Illinois General Assembly under the jurisdiction of the Treasurer, who has regulatory oversight for the pool. The Fund is not registered with the SEC but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. The fund has an affirmed AAA Standard & Poor's credit quality rating. The fair value of the positions of this pool is the same as the value of the pool shares. The yield on the Illinois Funds Money Market Fund was 1.704% at December 31, 2019. The Fund issues a publicly available financial report. That report may be obtained by writing to the Offices of the State Treasurer, Illinois Funds Administrative Office, 400 W. Monroe Street, Suite 401, Springfield, Illinois 62704.

All of the Police Pension assets are held in a custodial brokerage account at Charles Schwab & Co. pursuant to a written agreement. Such assets are initially protected by SIPC. SIPC protects against the loss of cash and securities including bonds and mutual funds held by a customer at a future financially-troubled SIPC-member brokerage firm. The limit of SIPC protection is \$500,000, which includes a \$250,000 limit for cash. Most customers of failed brokerage firms are protected when assets are missing from customer accounts. SIPC protection is limited. SIPC only protects the custody function of the broker dealer, which means that SIPC works to restore to customers their securities and cash that are in their accounts when the brokerage firm liquidation begins. SIPC does not protect against the decline in value of your securities.

Additional brokerage insurance—in addition to SIPC protection—is provided to Charles Schwab & Co., Inc. accounts through underwriters in London. Schwab's coverage with Lloyd's of London and other London insurers, combined with SIPC coverage, provides protection of securities and cash up to an aggregate of \$600 million, and is limited to a combined return to any customer from a Trustee, SIPC, and London insurers of \$150 million, including cash of up to \$1,150,000. This additional protection becomes available in the event that SIPC limits are exhausted.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the Village's investment policy limits the average weighted life of the Governmental and Business-type Activities' portfolio to 1 month. The Village assumes that its callable investments will not be called. At year-end, the Village's investments in the Illinois Funds have an average maturity of less than one year that substantially minimizes interest rate risk.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

In accordance with the Police Pension Fund's investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity by matching investment maturities to projected fund liabilities.

At December 31, 2019, the Village's Police Pension Fund investments excluding mutual funds were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>Investment Maturities</u>		
			<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>More Than 10 Years</u>
U.S. Treasuries	\$1,041,155	\$404,747	\$405,539	\$230,869	\$0
U.S. Agencies	1,485,186	100,250	766	691,630	692,540
Corporate Bonds	2,344,593	50,536	1,869,646	424,411	0
State and Local Obligations	<u>261,194</u>	<u>0</u>	<u>261,194</u>	<u>0</u>	<u>0</u>
	<u>\$5,132,128</u>	<u>\$555,533</u>	<u>\$2,537,145</u>	<u>\$1,346,910</u>	<u>\$692,540</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Investments in securities of U.S. Government agencies were all rated AA+ by Standard & Poor's, or Aaa by Moody's Investor Services. The Corporate Bonds are rated A to BBB by Standard & Poor's. At year-end, the Village's investment in the Illinois Funds is rated AAAM by Standard & Poor's.

Credit Risk – Concentration

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. The Village's investment policy does not limit the amount it may invest in any one issuer. The Village does not have a concern with concentration to the largest sovereign economy in the world.

The Police Pension Board establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Minimum</u>	<u>Target</u>	<u>Maximum</u>
Cash and Cash Equivalents	2%	3%	15%
Fixed Income	10%	52%	72%
Large-cap Equities	20%	32%	60%
Small-cap Equities	3%	5%	10%
International Equities	3%	5%	10%
Real Estate	0%	3%	10%

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

At year end, the Police Pension Fund does not have any investments over 5 percent of the total fund (other than investments issued or explicitly guaranteed by the U.S. Government or Agency investments). Agency investments that do not have the “full faith and credit” backing of the U.S. Government, but are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulations.

Fire Pension funds are held in a money market (Illinois Funds), not a bank account.

NOTE 4 - CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2019 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$15,926,369	\$0	\$0	\$15,926,369
Construction in progress	2,950,504	496,689	419,426	3,027,767
Total Capital Assets Not Being Depreciated	18,876,873	496,689	419,426	18,954,136
Capital Assets Being Depreciated				
Buildings and Improvements	18,766,366	128,164	0	18,894,530
Vehicles and Equipment	3,243,213	823,350	318,164	3,748,399
Infrastructure	10,902,756	516,490	0	11,419,246
Total Capital Assets Being Depreciated	32,912,335	1,468,004	318,164	34,062,175
Less Accumulated Depreciation for				
Buildings And Improvements	2,503,139	282,152	0	2,785,291
Vehicles and Equipment	2,160,846	253,132	318,164	2,095,814
Infrastructure	1,675,159	139,429	0	1,814,588
Total Accumulated Depreciation	6,339,144	674,713	318,164	6,695,693
Total Capital Assets Being Depreciated, Net	26,573,191	793,291	0	27,366,482
Governmental Activities Capital Assets, Net	\$45,450,064	\$1,289,980	\$419,426	\$46,320,618

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 4- CAPITAL ASSETS (Continued)

Depreciation expense was charged to governmental functions/programs of the Village as follows:

General Government	\$	277,816
Building, Planning and Zoning		6,619
Police Protection		48,841
Fire Protection		89,438
Public Works		251,999
	\$	<u>674,713</u>

Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets Not Being Depreciated				
Land	\$91,021	\$0	\$0	\$91,021
Construction in Progress	<u>1,196,953</u>	<u>45,471</u>	<u>1,198,170</u>	<u>44,254</u>
Total Capital Assets Not Being Depreciated	<u>1,287,974</u>	<u>45,471</u>	<u>1,198,170</u>	<u>135,275</u>
Capital Assets Being Depreciated				
Buildings and Improvements	317,749	0	0	317,749
Vehicles and Equipment	506,824	11,485	0	518,309
Infrastructure	12,940,332	1,045,080	0	13,985,412
Intangible	<u>0</u>	<u>400,000</u>	<u>0</u>	<u>400,000</u>
Total Capital Assets Being Depreciated	<u>13,764,905</u>	<u>1,456,565</u>	<u>0</u>	<u>15,221,470</u>
Less Accumulated Depreciation for				
Buildings And Improvements	133,894	11,264	0	145,158
Vehicles and Equipment	309,903	78,273	0	388,176
Infrastructure	2,962,463	245,189	0	3,207,652
Intangible	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>20,000</u>
Total Accumulated Depreciation	<u>3,406,260</u>	<u>354,726</u>	<u>0</u>	<u>3,760,986</u>
Total Capital Assets Being Depreciated, Net	<u>10,358,645</u>	<u>1,101,839</u>	<u>0</u>	<u>11,460,484</u>
Business-Type Activities				
Capital Assets, Net	<u>\$11,646,619</u>	<u>\$1,147,310</u>	<u>\$1,198,170</u>	<u>\$11,595,759</u>

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 4- CAPITAL ASSETS (Continued)

Depreciation expense was charged to business-type functions/programs of the Village as follows:

Water and Sewer	\$	290,069
Garbage		<u>64,657</u>
	\$	<u>354,726</u>

NOTE 5 – RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions, natural disasters; and injuries to the Village's employees. These risks are provided for through private insurance coverage. Covered risks included medical, dental, life and other. Premiums have been displayed as expenditures/expenses in appropriate funds. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years. Further, the Village expects current claims not to exceed insurance coverage.

NOTE 6 - INTERFUND DISCLOSURES

Due to/from Other Funds

Interfund balances at December 31, 2019 consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water/Sewer	<u>\$545,945</u>

Interfund balances represent short-term borrowings between funds, or payments from one fund on behalf of another, that will be repaid as cash is available in the fund owing the balance.

Advances

Advance balances at December 31, 2019 consist of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Garbage	<u>\$293,000</u>

Advances represent long-term borrowings among funds, or payments from one fund on behalf of another, to be paid as cash is available in the fund owing the balance. The receivable funds have a corresponding reserved fund balance for the amount of the advances. The Village anticipates that future cash flow of the garbage fund will repay its advances in five years.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 6 - INTERFUND DISCLOSURES (Continued)

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
General	Capital Improvement	\$300,000
Economic Development	Economic Development	310,000
Debt Service	General	1,240,000
	Economic Development	959,000
		<u>2,199,000</u>
	Less: Fund Eliminations	<u>(310,000)</u>
		<u><u>\$2,499,000</u></u>

Transfers to the Debt Service Fund from the Economic Development Fund consist of the following:

TIF District #1	\$263,000
TIF District #2	192,000
TIF District #3	308,000
TIF District #4	196,000
	<u>\$959,000</u>

The following summarizes the transfers in 2019:

- Transfer from the Capital Improvement Fund to the General Fund represents the transfer of motor fuel tax revenues as a reimbursement of public works costs related to the streets function.
- Transfers within the Economic Development Fund are to cover expenditures within other districts, which are allowable as the TIF Districts border each other.
- Transfer from the General Fund to the Debt Service Fund is to cover shortfalls in funding debt payments from the TIF Districts that make up the Economic Development Fund and debt payments from sales and income taxes.
- Transfers from the Economic Development Fund to the Debt Service Fund represent transfers to cover debt service payments on general obligation bonds payable from TIF District funds.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 7 - LONG-TERM DEBT

Long-Term Debt Summary

The changes in the Village's long-term debt are summarized as follows:

	<u>Beginning Balances</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
Governmental Activities					
Tax Supported Debt	\$18,908,178	\$10,693,019	\$4,267,673	\$25,333,524	\$1,342,000
Tax Increment Debt	11,242,323	0	875,672	10,366,651	760,000
Net Pension Liability	22,129,835	0	1,972,704	20,157,131	0
Compensated Absences	704,953	88,787	140,991	652,749	130,550
Other Post-Employment Benefits Liability	<u>3,188,678</u>	<u>677,071</u>	<u>0</u>	<u>3,865,749</u>	<u>0</u>
Total Governmental Activities Long-Term Liabilities	<u>56,173,967</u>	<u>11,458,877</u>	<u>7,257,040</u>	<u>60,375,804</u>	<u>2,232,550</u>
Business-Type Activities					
Revenue Debt - IEPA Loan	6,577,559	0	308,191	6,269,368	314,793
Water System Interconnection Loan Payable	<u>985,000</u>	<u>303,131</u>	<u>60,850</u>	<u>1,227,281</u>	<u>110,763</u>
Total Business-Type Activities Long-Term Liabilities	<u>7,562,559</u>	<u>303,131</u>	<u>369,041</u>	<u>7,496,649</u>	<u>425,556</u>
Total Long-Term Liabilities	<u>\$63,736,526</u>	<u>\$11,762,008</u>	<u>\$7,626,081</u>	<u>\$67,872,453</u>	<u>\$2,658,106</u>

Current Year Issuances

Current year additions include the \$9,680,000 Series 2019 Bonds which funded parks and related site improvements, road improvements, refunded Series 2007 and 2009B debt totaling \$3,215,000, and cost of issuance. The Series 2019A Bonds are payable from Pledged Taxes consisting of ad valorem property taxes levied against all of the taxable property in the Village unlimited as to rate. The Series 2019B Bonds and Series 2019C Bonds are payable from Pledged Revenues consisting of Sales Taxes and Pledged Taxes consisting of ad valorem property taxes levied against all of the taxable property in the Village unlimited as to rate or amount. While the primary purpose of the refunding was to restructure overall debt repayment, it also resulted in economic savings of \$303,750 or 9.45% of the debt refunded due to the Village exercising its option to redeem remaining maturities of the Series 2007 and 2009B debt early.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements December 31, 2019

NOTE 7- LONG-TERM DEBT (Continued)

Tax Supported Debt

These are bond issues and installment contracts where the Village has pledged its full faith and credit to support the bonds. The intended source of repayment are debt service property taxes, general and non-home rule sales taxes, income taxes and telecommunications taxes.

	<u>Beginning Balances</u>	<u>Issuance</u>	<u>Retirements</u>	<u>Ending Balances</u>	<u>Due Within One Year</u>
General Obligation Bonds of 2009A, due in annual installments of \$90,000 to \$115,000 plus interest at 2.20% to 4.00% through December 15, 2019.	\$115,000	\$0	\$115,000	\$0	\$0
General Obligation Bonds (Alternate Revenue Source) of 2015A, due in annual installments of \$155,000 to \$135,000 plus interest at 4.00% through December 1,	500,000	0	0	500,000	0
General Obligation Bonds (Alternate Revenue Source) Series 2015B, due in annual installments of \$145,000 to 360,000 plus interest at 3.0% to 5.0% through December 1, 2038.	4,715,000	0	150,000	4,565,000	155,000
General Obligation Bonds of 2015C, due in annual installments of \$385,000 to \$505,000 plus interest at 2.00% to 4.00% through December 15, 2025.	3,240,000	0	405,000	2,835,000	435,000
General Obligation Bonds of 2015D, due in annual installments of \$95,000 to \$120,000 plus interest at 3.00% to 4.00% through December 1, 2024.	555,000	0	0	555,000	95,000
General Obligation Bonds (Alternate Revenue Source) of 2017, due in annual installments of \$202,000 to \$296,000 plus interest at 3.25% through December 1, 2032. Interest rate is scheduled to reset on December 1, 2022.	3,200,000	0	0	3,200,000	202,000

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements December 31, 2019

NOTE 7 - LONG-TERM DEBT (Continued)

	Beginning Balances	Issuance	Retirements	Ending Balances	Due Within One Year
General Obligation Bonds (Alternate Revenue Source) of 2018, due in annual installments of \$50,000 to \$150,000 plus interest at 3.85% through December 1, 2033. Interest rate is scheduled to reset on December 1, 2023.	\$1,800,000	\$0	\$50,000	\$1,750,000	\$100,000
General Obligation Limited Tax Bonds, Series 2019A, due in annual installments of \$0 to \$140,000 plus interest at 4.00% through December 1, 2028	0	650,000	0	650,000	0
General Obligation Bonds (Alternate Revenue Source), Series 2019B, due in annual installments of \$0 to \$1,365,000 plus interest at 4.00% through December 1, 2041	0	8,230,000	0	8,230,000	0
General Obligation Bonds (Alternate Revenue Source), Series 2019C, due in annual installments of \$165,000 to \$250,000 plus interest from 2.15% to 2.45% through December 1, 2023	0	800,000	0	800,000	165,000
Debt Certificates of 2007, due in annual installments of \$155,000 to \$310,000 plus interest at 3.85% to 5.00% through January 1, 2027.	2,140,000	0	2,140,000	0	0
Debt Certificates of 2009B, due in annual installments of \$70,000 to \$140,000 plus interest at 1.85% to 4.85% through December 15, 2028.	1,170,000	0	1,170,000	0	0
Installment Contract of Series 2016B, due in annual installments \$170,000 to \$190,000 plus 2.75% through July 1, 2022.	730,000	0	175,000	555,000	180,000
Ambulance Revolving Loan Program through the Illinois Finance Authority, due in annual installments of \$100,000 at 0% interest, through November 1, 2026.	80,000	0	10,000	70,000	10,000
Premium on Debt	663,178	1,013,019	52,673	1,623,524	0
	<u>\$18,908,178</u>	<u>\$10,693,019</u>	<u>\$4,267,673</u>	<u>\$25,333,524</u>	<u>\$1,342,000</u>

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 7- LONG-TERM DEBT (Continued)

Tax Increment Debt

Tax increment debt were issued as general obligation bonds, but are intended to be funded from revenues of the TIF Districts. Since TIF revenues are currently insufficient to fully fund debt service, the Village has pledged and used general sales taxes for any shortfalls.

	Ending Balances	Issuance	Retirements	Ending Balances	Due Within One Year
General Obligations Bonds (Alternate Revenue Source) Series 2014A, due in annual installments of \$500,000 at 5.0% through December 1, 2024	\$3,260,000	\$0	\$500,000	\$2,760,000	\$500,000
General Obligation Bonds (Alternate Revenue Source) Series 2014B, due in annual installments of \$210,000 to \$610,000 plus interest at 3.0% to 5.0% through December 1, 2035.	7,195,000	0	295,000	6,900,000	260,000
Premium on debt	813,179	0	82,193	730,986	0
Discount on debt	(25,856)	0	(1,521)	(24,335)	0
	<u>\$11,242,323</u>	<u>\$0</u>	<u>\$875,672</u>	<u>\$10,366,651</u>	<u>\$760,000</u>

Business-Type Activity – Revenue Supported Debt

The Village borrowed funds from the Illinois Environmental Protection (“IEPA”) Public Water Supply Loan Program. The loans are secured solely from the revenues of the Village’s water and sewer fund. The Village has made certain covenants in connection with the loans including a covenant to impose and collect adequate water rates to provide for the repayment of the loans. The loans are not a general obligation of the Village.

During the last fiscal year, the Village entered into an intergovernmental agreement with the Village of McCook (“McCook”), Illinois to construct a water main replacement and water system interconnect between the communities. As a part of the agreement, the Village and McCook will enter into a water supply agreement for a period not less than 20 years with base water rates being no greater than what McCook charges other municipal customers. The loan to fund the infrastructure project is to be amortized over 10 years at an interest rate of 3.75%. As of year-end, the Village has spent \$1,227,281 that will be financed by the loan.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 7- LONG-TERM DEBT (Continued)

	Beginning Balances	Issuance	Retirements	Ending Balances	Due Within One Year
IEPA Loans, due in semi-annual installments including interest at 1.955% to 2.220% through a date not to exceed 20 years after completion date	\$6,577,559	\$0	\$308,191	\$6,269,368	\$314,793
Water System Interconnection Loan Payable from Village of McCook, due in monthly installments including interest at 3.750% through May 1, 2029	985,000	303,131	60,850	1,227,281	110,763
	<u>\$7,562,559</u>	<u>\$303,131</u>	<u>\$369,041</u>	<u>\$7,496,649</u>	<u>\$425,556</u>

Future Debt Maturities

The aggregate principal and interest requirements for the Village debt by type is as follows:

	Governmental Activities				Total
	Tax Supported Debt		Tax Increment Debt		
	Principal	Interest	Principal	Interest	
2020	\$1,342,000	\$900,995	\$760,000	\$454,118	\$3,457,113
2021	1,373,000	879,894	800,000	421,318	3,474,212
2022	1,510,000	833,286	830,000	383,818	3,557,104
2023	1,587,000	781,799	850,000	344,918	3,563,717
2024	1,309,000	724,097	850,000	302,418	3,185,515
2025-2029	5,463,000	2,887,183	2,095,000	1,099,354	11,544,537
2030-2034	3,231,000	2,048,250	2,865,000	591,500	8,735,750
2035-2039	6,125,000	1,179,000	610,000	30,500	7,944,500
2040-2041	1,770,000	87,000	0	0	1,857,000
	\$23,710,000	\$10,321,504	\$9,660,000	\$3,627,944	\$47,319,448

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 7- LONG-TERM DEBT (Continued)

	Business-Type Activities				Total
	IEPA Loan Payable		McCook Loan Payable		
	Principal	Interest	Principal	Interest	
2020	\$314,792	\$132,122	\$110,763	\$44,132	\$601,809
2021	321,536	125,379	114,989	39,906	601,810
2022	328,424	118,489	119,376	35,519	601,808
2023	335,461	111,454	123,930	30,965	601,810
2024	342,648	104,267	128,658	26,237	601,810
2025-2029	1,826,572	408,005	629,565	54,556	2,918,698
2030-2034	2,030,875	203,698	0	0	2,234,573
2035-2037	769,060	22,636	0	0	791,696
	\$6,269,368	\$1,226,050	\$1,227,281	\$231,315	\$8,954,014

Legal Debt Margin

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein (equalized assessed valuation or EAV), to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness" The following details the Village's debt margin based on total EAV in 2018 (2017 EAV) and the most recently available EAV (2018 EAV):

	<u>2017 EAV</u>	<u>2018 EAV</u>
EAV per county tax levy	\$179,181,987	\$170,224,786
Add EAV exemptions from tax extension	32,670,124	32,423,945
Add EAV associated with TIF districts	10,281,766	9,940,398
Total Village equalized assessed valuation	<u>\$222,133,877</u>	<u>\$212,589,129</u>
Legal debt limit - 8.625% of assessed value	\$19,159,047	\$18,335,812
Amount of debt application to limit		
General obligation bonds and debt certificates	<u>8,030,000</u>	<u>4,665,000</u>
Legal debt margin	<u>\$11,129,047</u>	<u>\$13,670,812</u>

The Village maintained Legal Debt Margin at the end of 2019.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 8 – SHORT TERM DEBT

On August 8, 2017, the Village entered into a financing agreement with Hinsdale Bank and Trust which included a \$500,000 line of credit to provide liquidity to the Village. The line of credit expired on August 10, 2019, with outstanding draws payable at maturity. The interest rate on the line of credit is 30-day LIBOR plus 2.5% (conventional). As of December 31, 2019, the line of credit was paid in full.

Changes in short term debt during 2019 were as follows:

	<u>Beginning Balances</u>	<u>Issuance</u>	<u>Retirements</u>	<u>Ending Balances</u>
Line of credit	\$500,000	\$0	\$500,000	\$0
	<u>\$500,000</u>	<u>\$0</u>	<u>\$500,000</u>	<u>\$0</u>

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Litigation

The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Village's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

NOTE 10 - DEFERRED COMPENSATION PLAN

The Village offers its employees a deferred compensation plan created with Internal Revenue Code Section 457. The plan, available to all governmental employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held in trust for the exclusive benefit of participants and their beneficiaries. Since amounts are held in a trust for the exclusive benefit of all participants, the Village does not include these amounts in the Village's financial statements.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS

Plan Descriptions: The Village contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), Sheriff's Law Enforcement Personnel (SLEP) which is affiliated with IMRF, an agent multiple-employer public employee retirement system; the Police Pension Plan which is a single-employer pension plan; and, the Firefighters' Pension Plan which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for the Police and Firefighters' Pension Plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan issues a separate report on the pension plan and is available for inspection at Village Hall. The Firefighters' Pension Plan does not issue a separate report. IMRF and SLEP benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF and SLEP issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. The report can be obtained online at www.imrf.org.

Below is aggregate information related to the IMRF, SLEP, Police and Fire Pension plans in total reported by the Village as of and for the year ended December 31, 2019:

Total Pension Liability	\$43,818,153
Plan Fiduciary Net Position	<u>23,661,022</u>
Village's net pension liability	<u>\$20,157,131</u>
Deferred Inflows of Resources	\$1,188,598
Deferred Outflows of Resources	1,068,443
Pension Expense for Statement of Activities	1,681,239

Because the Village's business-type activities have no full time employees, the net pension liability is reported only under governmental activities. The general fund is used most often to liquidate the liability within the governmental funds.

Illinois Municipal Retirement Fund (IMRF) & Sheriff's Law Enforcement Personnel (SLEP)

General Information about the Pension Plan

All employees (other than those covered by the Police or Firefighters' Pension Plans) hired in positions that meet or exceed the prescribed annual hourly standard for the Village (1,000 actual hours worked) must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund the IMRF as specified by statute. The employer contribution for the year ended December 31, 2019 was 7.18% of covered payroll, which was the employer annual required contribution rate.

Sheriff's law enforcement personnel having accumulated at least 20 years of SLEP service may elect to retire at or after age 50 and receive an annual retirement benefit, payable monthly for life. The plan also provides death and disability benefits. Participating members are required to contribute 7.5% of their annual salary to SLEP. The Village is required to contribute at an actuarially determined rate. The employer contribution rate for the year ended December 31, 2019 was 0.00% of covered payroll due to no covered payroll for plan participants. The employer annual required contribution rate for calendar year 2019 was 12.78%.

At December 31, 2019, the following employees were covered by the benefit terms:

	<u>IMRF</u>	<u>SLEP</u>
Retirees and Beneficiaries	68	1
Inactive, Non-retired Members	43	0
Active Members	<u>34</u>	<u>0</u>
Total	<u>145</u>	<u>1</u>

Net Pension Liability

The Village's net pension liability for the IMRF and SLEP plans was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions: The total pension liability for both the IMRF and SLEP plans in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method:	Entry Age Normal
Inflation:	3.25%
Price Inflation:	2.5%
Salary Increases:	3.35% to 14.25% including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Mortality: For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

There were no benefit changes during the year.

Long Term Expected Rate of Return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Domestic Equity	37%	5.75%
International Equity	18%	6.50%
Fixed Income	28%	3.25%
Real Estate	9%	5.20%
Alternative Investments	7%	3.60-7.60%
Cash Equivalents	1%	1.85%
	<u>100%</u>	

Single Discount Rate: A Single Discount Rate of 7.25% was used to measure the total pension liability of the regular IMRF plan and the SLEP plan. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.25%; the municipal bond rate is 2.75%; and the resulting single discount rate is 7.25% for the regular IMRF plan and for the SLEP plan.

Changes in the Net Pension Liability

IMRF

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A) - (B)
Balances at December 31, 2018	\$13,027,211	\$11,501,415	\$1,525,796
Changes for the year- increase (decrease):			
Service Cost	195,571	0	195,571
Interest on the Total Pension Liability	927,364	0	927,364
Changes of Benefit Terms	0	0	0
Differences Between Expected and Actual			
Experience of the Total Pension Liability	255,890	0	255,890
Changes of Assumptions	0	0	0
Contributions - Employer	0	153,968	(153,968)
Contributions - Employees	0	96,498	(96,498)
Net Investment Income	0	2,110,418	(2,110,418)
Benefit Payments, including Refunds			
of Employee Contributions	(667,527)	(667,527)	0
Other (Net Transfer)	0	162,983	(162,983)
Net Changes	711,298	1,856,340	(1,145,042)
Balances at December 31, 2019	<u>\$13,738,509</u>	<u>\$13,357,755</u>	<u>\$380,754</u>

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

SLEP

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	<u>\$407,477</u>	<u>\$127,482</u>	<u>\$279,995</u>
Changes for the year - increase (decrease):			
Service Cost	0	0	0
Interest on the Total Pension Liability	28,386	0	28,386
Changes of Benefit Terms	0	0	0
Differences Between Expected and Actual			
Experience of the Total Pension Liability	4,342	0	4,342
Changes of Assumptions	0	0	0
Contributions - Employer	0	19,335	(19,335)
Contributions - Employees	0	0	0
Net Investment Income	0	27,597	(27,597)
Benefit Payments, including Refunds			
of Employee Contributions	(31,885)	(31,885)	0
Other (Net Transfer)	<u>0</u>	<u>2,928</u>	<u>(2,928)</u>
Net Changes	<u>843</u>	<u>17,975</u>	<u>(17,132)</u>
Balances at December 31, 2019	<u><u>\$408,320</u></u>	<u><u>\$145,457</u></u>	<u><u>\$262,863</u></u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25% for IMRF and for SLEP, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
IMRF Net Pension Liability/(Asset)	\$2,055,422	\$380,754	(\$981,571)
SLEP Net Pension Liability/(Asset)	302,003	262,863	229,256

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2019, the Village recognized pension expense in the Statement of Activities of \$254,695 related to IMRF and \$23,148 related to SLEP in the Statement of Activities. At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

IMRF		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$240,564	\$0
Changes of assumptions	87,541	0
Net difference between projected and actual earnings on pension plan investments	<u>0</u>	<u>543,920</u>
Total Deferred Amounts Related to Pensions	<u><u>\$328,105</u></u>	<u><u>\$543,920</u></u>
SLEP		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$0	\$0
Changes of assumptions	0	0
Net difference between projected and actual earnings on pension plan investments	<u>1,513</u>	<u>0</u>
Total Deferred Amounts Related to Pensions	<u><u>\$1,513</u></u>	<u><u>\$0</u></u>

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	IMRF	SLEP
2020	\$119,740	\$1,929
2021	(123,195)	2,263
2022	44,797	1,060
2023	(257,156)	(3,739)

Police Pension Plan

General Information about the Pension Plan

Police sworn personnel are covered by the Police Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed through investment earnings. The Village accounts for the plan as a pension trust fund, pursuant to GASB standards.

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Employees hired before January 1, 2011, attaining the age of 50 or more with 20 years of creditable service are entitled to receive an annual retirement benefit of half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of final salary for each year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Covered employees hired on or after January 1, 2011, attaining the age of 55 with at least 10 years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final average salary for each year of service, with a maximum salary cap of \$114,951.83 at January 1, 2019. The maximum salary cap increases every year thereafter by the 12-month change in the CPI-U as of September each year. The increase for 2020 was 2.3% to a salary of \$115,928.92.

The monthly pension of a police officer hired before January 1, 2011, who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension. Beginning with increases granted on or after July 1, 1993, the second and subsequent automatic annual increases shall be calculated as 3.00% of the amount of the pension payable at the time of the increase. The monthly pension of a police officer hired on or after January 1, 2011, shall be increased annually, following the later of the first anniversary date of retirement or the month following the attainment of age 60, by the lesser of 3.00% or ½ of the consumer price index. Employees with at least 10 years but less than 20 years of creditable service may retire at or after age 50 and receive a reduced benefit.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest or Village contributions. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, by the year 2040, the Village's contributions must accumulate to the point where the total pension liability for the Police Pension Plan is 90% funded. For the year ended December 31, 2019, the Village's contribution was 131.54% of covered payroll.

At December 31, 2019, the Police Pension Plan membership consisted of:

<u>Membership</u>	<u>Participants</u>
Retirees and beneficiaries currently receiving benefits	30
Members entitled to But Not Yet Receiving Benefits	6
Current employees	<u>10</u>
Total	<u>46</u>

Net Pension Liability

The Village's net pension liability for the Police Pension Plan was measured as of December 31, 2019, based on January 1, 2018, plan census information and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The actuarial cost method was entry age normal with a level percent of pay.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2019 actuarial valuation and the prior valuation:

	<u>Current Valuation</u>	<u>Prior Valuation</u>
Interest Rate	7.00%	7.00%
Discount Rate	7.00%	7.00%
	Graded by service (11.75% initially to ultimate rate of 4.25%)	
Salary Increases		4.00%-6.85%
Projected Increase in Payroll	3.50%	3.50%
Cost of Living Adjustments	2.50%	2.50%

Mortality rates for the December 31, 2019 actuarial valuation are based on the sex distinct raw rates as developed in the RP-2014 study, with blue collar adjustment projected to 2020 with Scale MP-2019.

Long Term Expected Rate of Return: The long term expected rate of return on the Plan's investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Rate of Return	Long-Term Inflation Expectation	Long-Term Expected Real Rate of Return	Target Allocation
Fixed Income	2.70% - 5.20%	2.00%	0.70% - 3.20%	52.00%
Domestic Equities	5.60% - 6.50%	2.00%	3.60% - 4.50%	21.00%
International Equities	7.20%	2.00%	5.20%	15.00%
Real Estate	6.00%	2.00%	4.00%	3.00%
Emerging Markets	9.20%	2.00%	7.20%	3.00%
Commodities	2.50%	2.00%	0.50%	3.00%
Cash and Cash Equivalents	1.90%	2.00%	-0.10%	3.00%

Single Discount Rate: A Single Discount Rate of 7.00% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The longer term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (for the future benefit payments that are not covered by the plan's projected net position).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.00%, the municipal bond rate is 2.74% (previously 4.10%) and the resulting single discount rate is 7.00%.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	\$29,020,759	\$9,077,012	\$19,943,747
Changes for the year - increase (decrease):			
Service Cost	234,797	0	234,797
Interest on the Total Pension Liability	1,949,908	0	1,949,908
Changes of Benefit Terms	3,763	0	3,763
Differences Between Expected and Actual Experience of the Total Pension Liability	1,076,180	0	1,076,180
Changes of Assumptions	(815,753)	0	(815,753)
Contributions - Employer	0	1,107,047	(1,107,047)
Contributions - Employees	0	90,495	(90,495)
Net Investment Income	0	1,465,691	(1,465,691)
Benefit Payments, including Refunds of Employee Contributions	(2,168,582)	(2,168,582)	0
Other (Net Transfer)	0	585,254	(585,254)
Net Changes	280,313	1,079,905	(799,592)
Balances at December 31, 2019	<u>\$29,301,072</u>	<u>\$10,156,917</u>	<u>\$19,144,155</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability related to the police pension plan of the Village calculated using the discount rate of 7.00% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$22,758,030	\$19,144,155	\$16,154,863

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Police Pension Fund report.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2019, the Village recognized pension expense in the Statement of Activities of \$1,355,742 in the Statement of Activities related to the police pension plan. At December 31, 2019, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$738,825	\$0
Changes of assumptions	0	491,424
Net difference between projected and actual earnings on pension plan investments	<u>0</u>	<u>153,254</u>
Total Deferred Amounts Related to Pensions	<u>\$738,825</u>	<u>\$644,678</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to police pensions will be recognized in pension expense in future periods as follows:

Year Ended December 31	Police
2020	\$226,016
2021	10,505
2022	26,385
2023	(168,759)

Firefighters' Pension

The spouse of the retired fire chief is covered by the Firefighters' Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4) and may be amended only by the Illinois legislature. There are limited plan assets accumulated in a trust fund. The Village payroll for employees covered by the Firefighters' Pension Plan for the year ended December 31, 2019 was \$0.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Since firefighters are either contract employees of a private company or paid on call at less than full time, there are no current active members of this plan. At December 31, 2019, the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits	1
Current Active Members	<u>0</u>
	<u>1</u>

The following is a summary of the Firefighters' Pension Plan:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits as provided for in Illinois Compiled Statutes. The only participant is a surviving spouse receiving the greater of 54% of final salary or the monthly retirement pension that the firefighter was receiving at the time of death.

The Village contract for full-time employees and supplementing with part-time employees will result in no new future members. The plan will terminate when the sole beneficiary ceases to receive benefits.

Significant Investments/ Related Party Transactions

The Firefighters' Pension Plan does not hold investments as of December 31, 2019, but contributes on a pay-as-you-go basis. The target asset allocation is 100% to be deposited in money market funds with an expected rate of return of 2.74%.

The Village generally pays administrative costs for the Firefighters' Pension Plan.

Basis of Accounting

The Village funds the annual required benefits to the Firefighters' Pension Plan on a pay-as-you-go basis. The Firefighters' Pension Plan pays the sole participant her benefits. The plan is reported as a trust fund.

Net Pension Liability

The Village's net pension liability for the Firefighters' Pension Plan was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability was determined as of that date.

Actuarial Assumptions: The following actuarial assumptions were used to determine the total pension liability in the December 31, 2019 actuarial valuation:

Discount Rate	2.74%
Inflation	2.50%

Mortality rate for the December 31, 2019 actuarial valuation is based on the most recently released MP-2016 table for the sole beneficiary of the plan.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Discount Rate: The discount rate of 2.74% is equal to the municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by Bond Buyer) as of the measurement date. Since there are no investments, the long-term expected rate of return is not factored into the discount rate calculation. In the prior year, the discount rate utilized was 4.10%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	\$381,014	\$717	\$380,297
Changes for the year - increase (decrease):			
Service Cost	0	0	0
Interest on the Total Pension Liability	10,440	0	10,440
Changes of Benefit Terms	0	0	0
Differences Between Expected and Actual Experience of the Total Pension Liability	37,391	0	37,391
Changes of Assumptions	0	0	0
Contributions - Employer	0	58,593	(58,593)
Contributions - Employees	0	0	0
Net Investment Income	0	176	(176)
Benefit Payments, including Refunds of Employee Contributions	(58,593)	(58,593)	0
Other (Net Transfer)	0	0	0
Net Changes	(10,761)	176	(10,938)
Balances at December 31, 2019	\$370,252	\$893	\$369,359

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability related to the fire pension plan of the Village calculated using the discount rate of 2.74% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.74%) or one percentage point higher (3.74%) than the current rate:

	1% Decrease (1.74%)	Current Discount Rate (2.74%)	1% Increase (3.74%)
Net Pension Liability	\$383,557	\$369,359	\$348,442

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

The fire pension plan has no deferred outflows or deferred inflows of resources. The difference between actual and expected experience would normally be deferred and amortized over the average expected remaining service lives of active and inactive employees but that average is zero. For the year ended December 31, 2019, the Village recognized pension expense in the Statement of Activities of \$47,654 related to the fire pension plan.

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 11, the Village provides post-employment health care benefits (OPEB) to certain retirees through an informal single-employer retiree benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village under its personnel manual and union contracts. To be eligible, employees must receive a pension from either the IMRF, or the Police or Firefighters' Pension Funds. The Village provides fixed payment to eligible retirees until they are eligible for Medicare and healthcare access to certain disabled police officers provided the member pays 100% of the blended premium. Retirees can remain on the Village's medical insurance plan by paying 100% of the total premium for the coverage they select. Police officers who become disabled in the line of duty receive continuation of basic healthcare benefits at no cost to the member until eligible for Medicare. The general fund is used most often to liquidate the liability within the governmental funds.

All healthcare benefits are provided through the Village's health plan. The benefit levels are similar to those offered to active employees. Benefits include general in-patient and out-patient medical services, dental care, and prescriptions. Except for certain grandfathered retirees, upon a participant reaching the age of 65, Medicare becomes the sole insurer and the Village's plan is no longer provided.

Membership

At December 31, 2019, the membership consists of the following:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them.	26
Active Employees	40
Total	<u>66</u>

Funding Policy

The Village does not have a funding policy for OPEB, and records payments as retiree benefits are paid.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions and Methods

Actuarial Valuation Date	12/31/2019
Actuarial Cost Method	Entry Age Normal
Assumptions	
Discount Rate	2.74%
Long-Term Expected Rate of Return on Plan Assets	N/A
Total Payroll Increases	3.50%
Healthcare Cost Trend Rates	8.50% in fiscal year 2019, trending to 4.50% in fiscal year 2025
Asset Valuation Method	N/A

Mortality rates were based on the RP-2014 Study, with Blue Collar base rates projected to 2018 using scale MP2018 for Police and Fire. For all others the RP-2014 base rates projected to 2018 using scale MP2018 was used. No additional provision (besides those already embedded) were included for mortality improvements beyond 2018.

Assumptions were revised for mortality, withdrawal, disability and retirement rates.

Discount Rate

The discount rate used to measure the total OPEB liability as of December 31, 2019, was 2.74 percent, which was a change from the discount rate of 4.10 percent that was used as of December 31, 2018. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)**Changes in the Total OPEB Liability**

	Total OPEB Liability
Balances at January 1, 2019	\$3,188,678
Service cost	61,969
Interest on total OPEB liability	127,572
Differences between expected and actual experience of the total OPEB liability	0
Change of assumptions	641,855
Plan changes	0
Benefit payments, including refunds of employee contributions	(154,325)
Contributions - employer	0
Contributions - employee	0
Net investment income	0
Other (net transfer)	0
	<hr/>
Balances at December 31, 2019	<u><u>\$3,865,749</u></u>

Sensitivity of the Village's total OPEB liability to changes in the discount rate

The following presents the Village's total OPEB liability, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.74 percent) or 1-percentage-point higher (3.74 percent) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$4,474,337	\$3,865,749	\$3,376,571

Sensitivity of the Village's net OPEB liability to changes in the healthcare cost trend rates

The following presents the Village's total OPEB liability, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (7.50 percent decreasing to 3.50 percent) or 1-percentage-point higher (9.50 percent decreasing to 5.50 percent) than the current discount rate:

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Total OPEB liability	\$3,424,918	\$3,865,749	\$4,415,243

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the Village recognized OPEB expense in the Statement of Activities of \$227,163. At December 31, 2019, the Village reported the following deferred outflows of resources and deferred inflows related to OPEB.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$0	\$0
Changes of assumptions	<u>574,110</u>	<u>225,161</u>
Total Deferred Amounts Related to OPEB	<u><u>\$574,110</u></u>	<u><u>\$225,161</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2020	\$37,622
2021	37,622
2022	37,622
2023	37,622
2024	37,622
Thereafter	160,839

NOTE 13 – TAX ABATEMENTS

On December 19, 2017, the Village entered into an agreement with Lyons Retail LLC whereas the Village agreed to pay Lyons Retail LLC any real estate taxes for TIF 4 collected by the Village under the TIF in excess of \$50,000 per calendar year. The payment shall be within 60 days after Lyons Retail provides the Village with evidence that they paid the first and second installments of property taxes for TIF 4. This provision does not apply to 2016 taxes collected by the Village. The agreement is effective through the life of the TIF. As of year ended December 31, 2019, the Village paid a total of \$17,002 to Lyons Retail LLC.

NOTE 14 – SUBSEQUENT EVENTS

COVID-19 Impact

The recent outbreak of the novel strain of coronavirus called “COVID-19” has been designated a global pandemic by the World Health Organization. COVID-19 has spread to the United States and has impacted local economies as governments, businesses, and citizens react to, plan for, and try to prevent or slow further transmission of COVID-19 including actions by the State of Illinois and the Village. Most significantly, the State of Illinois imposed an unprecedented shutdown of the state and local economy with significant restrictions beginning on March 21, 2020, that has extended for over three months. Based on the shutdown, certain businesses either cannot operate or have to operate at significantly reduced capacity and restrictions. Certain restrictions remain in place as of the date of the issuance of these financial statements.

As a result of the shutdown, certain revenues of the Village are expected to decline including local taxes such as sales, local fuel taxes, and gaming taxes that are administered by the state of Illinois and are statutorily distributed to the Village as well as other state taxes that have a statutory allocation of the Village such as income, motor fuel, and use taxes. The mandatory distributions of these taxes are as long as three months after they are imposed and subsequently collected by the State of Illinois. Accordingly, the Village currently has limited insight of the impact on the Village finances.

There is speculation that the State due to their dire financial condition would attempt to intercept these revenues. However, the revenue collection and distribution is set in statute and would require legislative action to change the distribution. Further, all state administered and allocated revenues for municipalities are subject to continuing appropriations mandating current allocation and distribution to local municipalities including the Village through at least June 30, 2021.

Cook County who administers property tax collections for the Village has effectively delayed the due date of the remaining property taxes due in 2020 from August 1 to October 1. Further, there could be an increase in tax delinquencies as homeowners and banks may delay payment to the tax sale typically held in April of the following year (the Annual Tax Sale of 2018 taxes originally scheduled in April 2020 has been indefinitely delayed).

The Village is monitoring potential revenue impacts of all of these taxes. The Village maintains cash reserves and is planning to increase them to offset revenue losses from the shutdown. The Village has cut certain discretionary annual expenses, and continues to review their budget for additional savings opportunities if needed.

In summary, the Village cannot fully predict how the spread of COVID-19, the State mandated shutdown, or the various governmental or private actions taken in response thereto will affect its finances or operations, including the receipt of State revenues and real estate tax collections.

At the outset of the COVID-19 and the shutdowns, financial markets experienced substantial volatility including the significant reduction in interest rates and declines in the equity markets. This situation has the greatest impact on the investments of the Village’s pension plans. While they incurred substantial losses in the first quarter of 2020, most of those losses have been recouped resulting in limited impact on the pension plans and the Village. Again, the on-going impacts are being evaluated and monitored.

VILLAGE OF LYONS, ILLINOIS

Notes to financial statements
December 31, 2019

NOTE 14 – SUBSEQUENT EVENTS (Continued)

Authorization of Pension Bonds

On May 19, 2020, the Village authorized the issuance of \$25,800,000 of bonds to fully fund the Village's unfunded pension liabilities with the Illinois Municipal Retirement Fund and the Lyons Police Pension Fund. A portion of the bond proceeds are earmarked to deal with future pension costs if investment earnings are not sufficient to maintain full funding of the plans. This reserve could provide additional cash reserves if needed to address any revenue shortfalls that cannot be offset with expenditure reductions. Also, the Village has \$970,000 of bond capacity from bonds authorized on November 19, 2019, to reimburse the General Fund for capital costs previously paid resulting in additional cash reserves to deal with any unfavorable financial impact resulting from COVID-19.

REQUIRED SUPPLEMENTARY INFORMATION



VILLAGE OF LYONS, ILLINOIS

VILLAGE OF LYONS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance with Original and Final Budget
Revenues			
Taxes	\$ 8,565,888	\$ 8,326,541	\$ (239,347)
Intergovernmental	-	29,501	29,501
License, fees and permits	730,877	682,215	(48,662)
Charges for services	485,296	594,482	109,186
Fines and forfeitures	634,791	345,497	(289,294)
Investment earnings	25,000	22,841	(2,159)
Quarry revenues	650,000	713,350	63,350
Miscellaneous	361,000	92,159	(268,841)
Total revenues	<u>11,452,852</u>	<u>10,806,586</u>	<u>(646,266)</u>
Expenditures			
Current			
General government	2,249,294	1,915,457	333,837
Building, planning and zoning	704,739	772,773	(68,034)
Police protection	4,128,619	4,179,721	(51,102)
Fire protection	1,552,483	1,441,340	111,143
Recreation	387,720	407,031	(19,311)
Public works	1,199,564	1,070,500	129,064
Total expenditures	<u>10,222,419</u>	<u>9,786,822</u>	<u>435,597</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,230,433</u>	<u>1,019,764</u>	<u>(210,669)</u>
Other Financing Sources (Uses)			
Transfers in	250,000	300,000	50,000
Transfers out	(1,239,114)	(1,240,000)	886
Total other financing sources (uses)	<u>(989,114)</u>	<u>(940,000)</u>	<u>50,886</u>
Net Change in Fund Balance	<u>241,319</u>	<u>79,764</u>	<u>\$ (159,783)</u>
Fund Balance - Beginning of Year	<u>2,183,137</u>	<u>2,183,137</u>	
Fund Balance - End of Year	<u>\$ 2,424,456</u>	<u>\$ 2,262,901</u>	

VILLAGE OF LYONS, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	Original and Final Budget	Actual	Variance with Original and Final Budget
Revenues			
Incremental property taxes	\$ 1,180,000	\$ 1,151,918	\$ (28,082)
Investment earnings	-	-	-
Total revenues	<u>1,180,000</u>	<u>1,151,918</u>	<u>(28,082)</u>
Expenditures			
Community development	15,000	5,046	9,954
Cost of issuance	-	26,000	(26,000)
Capital outlay	-	28,542	(28,542)
Total expenditures	<u>15,000</u>	<u>59,588</u>	<u>(44,588)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>1,165,000</u>	<u>1,092,330</u>	<u>(72,670)</u>
Other Financing Sources (Uses)			
Bond proceeds	-	800,000	800,000
Transfers in	300,000	-	(300,000)
Transfers out	(1,445,000)	(959,000)	486,000
Total other financing sources (uses)	<u>(1,145,000)</u>	<u>(159,000)</u>	<u>986,000</u>
Net Change in Fund Balance	<u>20,000</u>	<u>933,330</u>	<u>\$ 913,330</u>
Fund Balance - Beginning of Year	<u>(856,578)</u>	<u>(856,578)</u>	
Fund Balance - End of Year	<u>\$ (836,578)</u>	<u>\$ 76,752</u>	

VILLAGE OF LYONS, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 6 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 195,571	\$ 180,391	\$ 205,507	\$ 195,131	\$ 189,683	\$ 219,024
Interest	927,364	872,398	865,968	813,143	781,991	728,681
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	255,890	361,314	(34,731)	246,600	(31,155)	(107,604)
Changes of Assumptions	-	355,784	(386,580)	(14,821)	13,576	323,757
Benefit Payments, Including Refunds of Member Contributions	(667,527)	(568,916)	(534,825)	(575,948)	(477,999)	(398,790)
Net Change in Total Pension Liability	711,298	1,200,971	115,339	664,105	476,096	765,068
Total Pension Liability - Beginning	13,027,211	11,826,240	11,710,901	11,046,796	10,570,700	9,805,632
Total Pension Liability - Ending (a)	<u>\$ 13,738,509</u>	<u>\$ 13,027,211</u>	<u>\$ 11,826,240</u>	<u>\$ 11,710,901</u>	<u>\$ 11,046,796</u>	<u>\$ 10,570,700</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 153,968	\$ 209,912	\$ 196,224	\$ 209,714	\$ 219,278	\$ 193,399
Contributions - member	96,498	95,020	90,472	94,323	112,469	84,680
Net Investment Income	2,110,418	(607,401)	1,850,134	692,548	50,614	589,300
Benefit Payments, Including Refunds of Member Contributions	(667,527)	(568,916)	(534,825)	(575,948)	(477,999)	(398,790)
Administrative Expense	-	-	-	-	-	-
Other	162,983	418,702	(157,386)	145,097	(156,567)	6,345
Net Change in Fiduciary Net Position	\$ 1,856,340	\$ (452,683)	\$ 1,444,619	\$ 565,734	\$ (252,205)	\$ 474,934
Plan Fiduciary Net Position - Beginning	11,501,415	11,954,098	10,509,479	9,943,745	10,195,950	9,721,016
Plan Fiduciary Net Position - Ending (b)	<u>\$ 13,357,755</u>	<u>\$ 11,501,415</u>	<u>\$ 11,954,098</u>	<u>\$ 10,509,479</u>	<u>\$ 9,943,745</u>	<u>\$ 10,195,950</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 380,754</u>	<u>\$ 1,525,796</u>	<u>\$ (127,858)</u>	<u>\$ 1,201,422</u>	<u>\$ 1,103,051</u>	<u>\$ 374,750</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.23%	88.29%	101.08%	89.74%	90.01%	96.45%
Covered Payroll	\$ 2,144,393	\$ 2,082,456	\$ 2,010,492	\$ 1,961,013	\$ 1,990,512	\$ 1,717,458
Net Pension Liability as a Percentage of Covered Payroll	17.76%	73.27%	-6.36%	61.27%	55.42%	21.82%

Notes to Schedule:

Information is presented for those years for which it was available

VILLAGE OF LYONS, ILLINOIS
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF VILLAGE CONTRIBUTIONS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 6 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 153,967	\$ 209,912	\$ 196,224	\$ 210,221	\$ 214,179	\$ 183,940
Contributions in Relation to the Actuarially Determined Contribution	153,968	209,912	196,224	209,714	219,278	193,399
Contribution Deficiency (Excess)	(1)	-	-	507	(5,099)	(9,459)
Covered Payroll	2,144,393	2,082,456	2,010,492	1,961,013	1,990,512	1,717,458
Contributions as a Percentage of Covered Payroll	7.18%	10.08%	9.76%	10.69%	11.02%	11.26%

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 24-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Inflation: 2.50%

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.5%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016

Mortality: RP-2014 Blue Collar Healthy Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information: There were no benefit changes during the year
Information is presented for those years for which it was available

VILLAGE OF LYONS, ILLINOIS
IMRF - SHERIFF'S LAW ENFORCEMENT PERSONNEL
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 6 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,226
Interest	28,386	28,629	(375)	-	-	4,475
Changes of Benefit Terms	-	-	-	-	-	-
Differences Between Expected and Actual Experience	4,342	3,179	418,118	-	-	(57,034)
Changes of Assumptions	-	9,089	(10,890)	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(31,885)	(30,280)	(9,993)	-	-	(33,431)
Net Change in Total Pension Liability	843	10,617	396,860	-	-	(66,764)
Total Pension Liability - Beginning	407,477	396,860	-	-	-	66,764
Total Pension Liability - Ending (a)	\$ 408,320	\$ 407,477	\$ 396,860	\$ -	\$ -	\$ -
Plan Fiduciary Net Position						
Contributions - employer	\$ 19,335	\$ -	\$ 9,563	\$ -	\$ -	\$ 11,735
Contributions - member	-	-	26,478	-	-	5,426
Net Investment Income	27,597	(12,788)	(82)	1,090	320	4,590
Benefit Payments, Including Refunds of Member Contributions	(31,885)	(30,280)	(9,993)	-	-	(33,431)
Administrative Expense	-	-	-	-	-	-
Other	2,928	11,497	134,179	11,228	(77,726)	(7,707)
Net Change in Fiduciary Net Position	\$ 17,975	\$ (31,571)	\$ 160,145	\$ 12,318	\$ (77,406)	\$ (19,387)
Plan Fiduciary Net Position - Beginning	127,482	159,053	(1,092)	(13,410)	63,996	83,383
Plan Fiduciary Net Position - Ending (b)	\$ 145,457	\$ 127,482	\$ 159,053	\$ (1,092)	\$ (13,410)	\$ 63,996
Net Pension Liability - Ending (a)-(b)	\$ 262,863	\$ 279,995	\$ 237,807	\$ 1,092	\$ 13,410	\$ (63,996)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	35.62%	31.29%	40.08%	0.00%	0.00%	0.00%
Covered Payroll	\$ -	\$ -	\$ 69,144	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	343.93%	0.00%	0.00%	0.00%

Notes to Schedule:

Information is presented for those years for which it was available

VILLAGE OF LYONS, ILLINOIS
IMRF - SHERIFF's LAW ENFORCEMENT PERSONNEL
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF VILLAGE CONTRIBUTIONS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 6 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 19,335	\$ -	\$ 9,238	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	19,335	-	9,563	-	-	11,735
Contribution Deficiency (Excess)	-	-	(325)	-	-	(11,735)
Covered Payroll	-	-	69,144	-	-	-
Contributions as a Percentage of Covered Payroll	100.00%	0.00%	13.83%	0.00%	0.00%	0.00%

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported

Actuarial Cost Method: Aggregate entry age normal

Amortization Method: Level percentage of payroll, closed

Remaining Amortization Period: 24-year closed period

Asset Valuation Method: 5-year smoothed market; 20% corridor

Inflation: 2.50%

Salary Increases: 3.35% to 14.25%, including inflation

Investment Rate of Return: 7.5%

Retirement Age: Experience based table of rates that are specific to the type of eligibility condition; last updated for the 2017 valuation pursuant to an experience study of the period 2014 to 2016

Mortality: RP-2014 Blue Collar Healthy Annuitant Mortality Table, adjusted to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scaled RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information: There were no benefit changes during the year
Information is presented for those years for which it was available

VILLAGE OF LYONS, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 6 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Service cost	\$ 234,797	\$ 251,034	\$ 291,857	\$ 272,764	\$ 213,953	\$ 533,266
Interest	1,949,908	1,912,049	1,866,144	1,813,299	1,712,319	1,677,871
Changes of Benefit Terms	3,763	-	-	-	-	-
Differences Between Expected and Actual Experience	1,076,180	387,292	56,950	381,430	537,965	(1,706,332)
Changes of Assumptions	(815,753)	-	-	(271,169)	509,554	1,517,128
Benefit Payments, Including Refunds of Member Contributions	(2,168,582)	(1,689,211)	(1,429,126)	(1,453,642)	(1,608,811)	(1,450,830)
Net Change in Total Pension Liability	280,313	861,164	785,825	742,682	1,364,980	571,103
Total Pension Liability - Beginning	29,020,759	28,159,595	27,373,770	26,631,088	25,266,108	24,695,005
Total Pension Liability - Ending (a)	\$ 29,301,072	\$ 29,020,759	\$ 28,159,595	\$ 27,373,770	\$ 26,631,088	\$ 25,266,108
Plan Fiduciary Net Position						
Contributions - employer	\$ 1,107,047	\$ 1,087,645	\$ 950,621	\$ 866,736	\$ 496,493	\$ 438,151
Contributions - member	90,495	77,055	103,355	118,614	127,995	149,617
Net Investment Income	1,465,691	(299,973)	986,673	278,983	(143,498)	707,878
Benefit Payments, Including Refunds of Member Contributions	(2,168,582)	(1,689,211)	(1,429,126)	(1,453,642)	(1,608,811)	(1,450,830)
Administrative Expense	(35,534)	(28,973)	(38,553)	(31,273)	(26,435)	(40,960)
Other	620,788	-	-	-	-	-
Net Change in Fiduciary Net Position	\$ 1,079,905	\$ (853,457)	\$ 572,970	\$ (220,582)	\$ (1,154,256)	\$ (196,144)
Plan Fiduciary Net Position - Beginning	9,077,012	9,930,469	9,357,499	9,578,081	10,732,337	10,928,481
Plan Fiduciary Net Position - Ending (b)	\$ 10,156,917	\$ 9,077,012	\$ 9,930,469	\$ 9,357,499	\$ 9,578,081	\$ 10,732,337
Net Pension Liability - Ending (a)-(b)	\$ 19,144,155	\$ 19,943,747	\$ 18,229,126	\$ 18,016,271	\$ 17,053,007	\$ 14,533,771
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	34.66%	31.28%	35.26%	34.18%	35.97%	42.48%
Covered Payroll	\$ 841,615	\$ 953,498	\$ 1,175,944	\$ 1,136,178	\$ 1,117,697	\$ 1,264,005
Net Pension Liability as a Percentage of Covered Payroll	2274.69%	2091.64%	1550.17%	1585.69%	1525.73%	1149.82%

Notes to Schedule:

Information is presented for those years for which it was available

VILLAGE OF LYONS, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF VILLAGE CONTRIBUTIONS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 6 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$ 1,226,711	\$ 1,125,557	\$ 1,046,423	\$ 933,928	\$ 991,854	\$ 920,045
Contributions in Relation to the Actuarially Determined Contribution	1,107,047	1,087,645	950,621	866,736	496,493	438,151
Contribution Deficiency (Excess)	119,664	37,912	95,802	67,192	495,361	481,894
Covered Payroll	841,615	953,498	1,175,944	1,136,178	1,117,697	1,264,005
Contributions as a Percentage of Covered Payroll	131.54%	114.07%	80.84%	76.29%	44.42%	34.66%

Notes to Schedule:

Actuarial Cost Method:	Entry Age Normal
Amortization Method:	Level % Pay (Closed)
Remaining Amortization Period:	21 Years
Asset Valuation Method:	Market
Cost-of-Living Increases:	2.50%
Salary Increases:	Graded by service (11.75% initially to ultimate rate of 4.25%)
Investment Rate of Return:	7.00%
Retirement Age:	Graded by age (15% at 50 to 100% at age 65)
Mortality:	RP2014 Base Rates with Blue Collar Adjustment Projected to 2020 with Scale MP2019

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

VILLAGE OF LYONS, ILLINOIS
FIRE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2019)

	2019	2018	2017	2016
Total Pension Liability				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest	10,440	17,166	16,805	26,785
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	37,391	11,108	(35,389)	(184,359)
Changes of Assumptions	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(58,593)	(58,593)	(58,593)	(58,780)
Net Change in Total Pension Liability	(10,762)	(30,319)	(77,177)	(216,354)
Total Pension Liability - Beginning	381,014	411,333	488,510	704,864
Total Pension Liability - Ending (a)	\$ 370,252	\$ 381,014	\$ 411,333	\$ 488,510
Plan Fiduciary Net Position				
Contributions - employer	\$ 58,593	\$ 58,379	\$ 59,106	\$ 58,501
Contributions - member	-	-	-	-
Net Investment Income	176	255	138	52
Benefit Payments, Including Refunds of Member Contributions	(58,593)	(58,593)	(58,593)	(58,780)
Administrative Expense	-	-	-	-
Other	-	-	-	-
Net Change in Fiduciary Net Position	\$ 176	\$ 41	\$ 651	\$ (227)
Plan Fiduciary Net Position - Beginning	717	676	25	252
Plan Fiduciary Net Position - Ending (b)	\$ 893	\$ 717	\$ 676	\$ 25
Net Pension Liability - Ending (a)-(b)	\$ 369,359	\$ 380,297	\$ 410,657	\$ 488,485
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	0.24%	0.19%	0.16%	0.01%
Covered Payroll	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

Plan has only one participant; beneficiary of a pensioner. No existing Village personnel are eligible to join the plan.

Valuation Date: December 31, 2019. Liability is the present value of the anticipated benefit payments to the sole participant.

Existing Benefits: Payment to beneficiary based on payment to pensioner at time of death. There are no increases to benefit.

Fund Termination: The Fire Pension Fund will terminate after meeting payments to beneficiary. No current or future Village employees will be designated to a position to qualify for future participation.

VILLAGE OF LYONS, ILLINOIS
FIRE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF VILLAGE CONTRIBUTIONS
DECEMBER 31, 2019

Last 10 Fiscal Years (Only 4 Fiscal Years Available as of December 31, 2019)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Actuarially Determined Contribution	\$ 58,593	\$ 58,593	\$ 58,593	\$ 58,780
Contributions in Relation to the Actuarially Determined Contribution	<u>58,593</u>	<u>58,379</u>	<u>59,106</u>	<u>58,501</u>
Contribution Deficiency (Excess)	-	214	(513)	279
Covered Payroll	-	-	-	-
Contributions as a Percentage of Covered Payroll	100.00%	100.00%	100.00%	100.00%

Notes to Schedule:

The Village's contributions along with investment income are used to pay surviving spouse benefits on a "pay-as-you-go" basis.

VILLAGE OF LYONS, ILLINOIS
OTHER POST-EMPLOYMENT BENEFIT LIABILITY
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY
DECEMBER 31, 2019

Current Fiscal Year (Only 2 Fiscal Years Available as of December 31, 2019)

	2019	2018
Total OPEB Liability		
Service cost	\$ 61,969	\$ 68,977
Interest	127,572	115,627
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	641,855	(285,407)
Benefit payments, including refunds of member contributions	(154,325)	(143,557)
Net Change in Total OPEB Liability	677,071	(244,360)
Total OPEB Liability - Beginning	3,188,678	3,433,038
Total OPEB Liability - Ending (a)	\$ 3,865,749	\$ 3,188,678
 Plan Fiduciary Net Position		
Contributions - employer	\$ 154,325	\$ 143,557
Contributions - member	-	-
Net investment income	-	-
Benefit payments, including refunds of member contributions	(154,325)	(143,557)
Administrative expense	-	-
Net Change in Fiduciary Net Position	\$ -	\$ -
 Plan Fiduciary Net Position - Beginning	-	-
Plan Fiduciary Net Position - Ending (b)	\$ -	\$ -
 Total OPEB Liability - Ending (a)-(b)	\$ 3,865,749	\$ 3,188,678
 OPEB Plan Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%
 Covered Payroll	\$ 2,827,394	\$ 2,731,782
Employer Total OPEB Liability as a Percentage of Covered Payroll	136.72%	116.73%

Information is presented for those years for which it is available

VILLAGE OF LYONS, ILLINOIS
OTHER POST-EMPLOYMENT BENEFIT LIABILITY
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DECEMBER 31, 2019

Current Fiscal Year (Only 2 Fiscal Years Available as of December 31, 2019)

	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 154,325	\$ 143,557
Contributions in Relation to the Actuarially Determined Contribution	<u>154,325</u>	<u>143,557</u>
Contribution Deficiency (Excess)	-	-
Covered Payroll	2,827,394	2,731,782
Contributions as a Percentage of Covered Payroll	5.46%	5.26%

Information is presented for those years for which it is available

A. BUDGETS

All departments of the Village submit budget requests to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates, and requested expenditures for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change spending requests, but may not change the form of the budget. A final budget is adopted for the subsequent fiscal year.

The Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase the total expenditures of any fund must be approved by the governing body.

Separately, the Village adopts an appropriation and tax levy ordinance for the upcoming year. Annual spending cannot exceed the amounts by fund in this ordinance. All budget and appropriations lapse at the end of the Village's fiscal year.

B. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET

For the year ended December 31, 2019, expenditures exceeded budget in the following funds:

Economic Development	\$ 44,588
Debt Service Fund	3,337,765
Capital Improvement Fund	318,550
Water and Sewer Fund	82,931
Garbage Fund	14,448

The following explains the budget variances in each fund:

Economic Development

The expenditures in the economic development funds was over budget due to a capital outlay expense at an amount greater than planned and additional debt expenses due to a new bond issuance.

Debt Service Fund

Expenditures in the debt service fund exceeded budget as a result of unbudgeted costs of issuance for the 2019 bond refunding.

B. EXCESS OF ACTUAL EXPENDITURES OVER BUDGET (Continued)

Capital Improvement Fund

Capital project expenditures exceeded budget due to additional projects under taken and debt related expenses resulting from a new bond issuance.

Water and Sewer Fund

Water and Sewer Fund expenditures were over budget due to construction project expenses that were greater than planned.

Garbage Fund

The excess expenditure relates to depreciation expenses for the Village's garbage trucks and recycling toters that were greater than what was anticipated.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**



VILLAGE OF LYONS, ILLINOIS

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Taxes			
Property Taxes			
General/corporate	\$ 556,500	\$ 547,901	\$ 513,887
IMRF	89,250	89,031	84,627
Street and bridge	48,300	45,480	42,550
Fire protection	372,750	358,056	339,262
Police protection	567,000	548,815	518,677
Social security	91,350	85,013	80,863
Auditing	31,500	36,802	34,682
Police pension	1,155,000	1,107,047	1,078,819
Fire pension	58,800	54,670	52,943
Liability insurance	43,050	40,659	38,183
Ambulance service	105,000	97,710	92,363
Road and bridge	33,600	31,009	31,682
Total property taxes	3,152,100	3,042,193	2,908,538
Other Taxes			
Cable television utility	116,200	115,338	116,893
Electric utility	295,000	279,493	293,132
Natural gas utility	137,632	140,716	134,620
Hotel/motel	92,809	72,647	81,410
Gasoline	50,000	-	-
Local food & beverage	236,913	244,030	224,981
Total other taxes	928,554	852,224	851,036
State Shared Taxes			
Municipal sales	1,693,000	1,549,922	1,590,979
Non-home rule sales	808,000	820,996	818,736
Income tax - municipal share	1,060,000	1,145,216	1,024,039
Replacement	53,592	69,841	53,933
Telecommunication utility	150,000	137,040	165,257
Local use	330,650	356,467	310,729
Foreign fire	14,696	14,925	14,131
Gaming taxes	375,296	337,717	309,699
Total state shared taxes	4,485,234	4,432,124	4,287,503
Total taxes	8,565,888	8,326,541	8,047,077
Intergovernmental			
Other grants and reimbursements	-	29,501	26,916
Total intergovernmental	-	29,501	26,916

**VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019		2018
	Final Budget	Actual	Actual
Licenses and Permits			
Riverside lawn fire district fees	40,000	-	39,437
Liquor licenses	35,000	61,500	62,685
Vehicle licenses	244,785	223,879	212,019
Garage sales permits	750	326	433
Property maintenance inspections	45,000	41,935	34,560
Building permits	185,322	175,737	173,254
Plumbing permits	14,000	12,018	12,568
HVAC permits	14,040	16,985	12,829
Electrical permits	2,480	2,451	2,904
Contractor licenses	37,500	37,950	34,995
Zoning hearings/maps/codes	2,000	6,000	2,300
Business licenses	110,000	103,434	99,875
Total licenses and permits	730,877	682,215	687,859
Charges for Services			
Antenna agreements	172,000	193,974	172,908
Advertising for Village property	4,000	2,058	3,133
Police and fire reports	4,796	2,620	2,872
Ambulance service fees	275,000	266,975	227,427
Fire recovery fees	9,000	12,999	8,749
ETSB Reimbursement	-	94,942	21,985
Recreation fees	20,500	20,914	19,002
Total charges for services	485,296	594,482	456,076
Fines and Fees			
Liquor fines	-	10	-
Nuisance, abatement and adjudication	150,000	129,421	122,973
State Y-tickets	40,000	26,902	20,039
Parking P-tickets	145,000	160,845	138,674
Red Light Photo Enforcement	250,000	-	-
DUI fines	1,460	1,180	896
Towing fees	16,500	18,095	16,050
Alarm board fees	50	-	15
State seizure revenue	15,000	7,954	-
Federal seizure revenue	15,000	-	-
Other	1,781	1,090	1,350
Total fines and fees	634,791	345,497	299,997

**VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019		2018
	Final Budget	Actual	Actual
Investment Income - Interest			
Interest	25,000	22,841	17,810
Royalties			
Quarry revenues	650,000	713,350	710,247
Miscellaneous			
Sale of Village property	20,000	7,909	13,631
Rent of Village assets	253,500	28,899	13,749
Insurance and damage recovery	50,000	39,696	54,221
COBRA premium payments	-	-	819
Senior taxi donation	2,500	1,275	1,721
Miscellaneous	35,000	14,380	24,801
Total miscellaneous	361,000	92,159	108,942
Total revenues	<u>\$ 11,452,852</u>	<u>\$ 10,806,586</u>	<u>\$ 10,354,924</u>

**VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019		2018
	Final Budget	Actual	Actual
General Government			
Administration			
Salaries	\$ 429,509	\$ 426,538	\$ 401,582
Benefits	205,463	225,393	190,818
Professional services	92,600	94,403	97,256
Communications	38,000	37,585	33,987
Professional development	26,900	35,443	50,269
Operations	31,465	31,596	30,600
Other	402,500	18,347	16,167
Interfund cost transfer	(527,900)	(527,900)	(520,000)
Total administration	<u>698,537</u>	<u>341,405</u>	<u>300,679</u>
Legal Services			
Professional services	<u>271,100</u>	<u>380,052</u>	<u>276,736</u>
Finance			
Salaries	290,123	292,489	312,212
Benefits	86,622	89,817	92,426
Professional services	238,520	168,319	211,627
Operations	<u>14,150</u>	<u>17,635</u>	<u>24,233</u>
Total finance	<u>629,415</u>	<u>568,260</u>	<u>640,498</u>
Human Resources			
Retiree benefits	23,754	35,000	12,549
Professional services	4,500	4,628	3,823
Operations	<u>10,500</u>	<u>5,240</u>	<u>8,911</u>
Total human resources	<u>38,754</u>	<u>44,868</u>	<u>25,283</u>
Risk Management			
Professional services	<u>218,500</u>	<u>215,881</u>	<u>221,614</u>
Total risk management	<u>218,500</u>	<u>215,881</u>	<u>221,614</u>
Information Technology			
Salaries	62,200	75,667	59,055
Benefits	38,088	41,762	29,980
Professional services	50,000	47,080	33,520
Communications	12,000	1,511	10,817
Other	<u>55,200</u>	<u>51,266</u>	<u>66,438</u>
Total information technology	<u>217,488</u>	<u>217,286</u>	<u>199,810</u>

**VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019		2018
	Final Budget	Actual	Actual
General Government (Cont.)			
Buildings and grounds			
Professional services	57,500	56,640	55,055
Operations	118,000	91,065	172,377
Total buildings and grounds	175,500	147,705	227,432
 Total general government	2,249,294	1,915,457	1,892,052
 Building, Planning and Zoning			
Building			
Salaries	362,466	396,221	352,205
Benefits	191,748	190,639	181,153
Professional services	70,000	128,704	60,550
Communications	7,325	9,077	8,111
Professional development	3,450	3,430	5,338
Operations	69,750	44,702	46,991
Total building	704,739	772,773	654,348
 Total building, planning and zoning	704,739	772,773	654,348
 Police			
Salaries	1,804,772	1,840,778	1,839,512
Benefits	1,599,282	1,559,476	1,481,881
Disability and retiree benefits	98,821	95,081	122,298
Communications	6,900	13,278	11,317
Professional development	23,750	22,390	16,087
Operations	178,400	274,390	261,178
Professional services	416,694	374,328	298,071
Interdepartmental charge	-	-	331,041
Total police	4,128,619	4,179,721	4,361,385

**VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2019**

	2019		2018
	Final Budget	Actual	Actual
Fire Protection			
Operations			
Salaries	468,056	407,911	415,800
Benefits	166,007	147,730	150,808
Communications	101,240	84,842	120,059
Professional development	53,730	36,545	28,662
Operations	230,450	191,030	158,300
Total operations	<u>1,019,483</u>	<u>868,058</u>	<u>873,629</u>
Emergency Medical Services (EMS)			
Professional services	472,000	516,882	473,062
Operations	61,000	56,400	14,200
Total emergency medical services (EMS)	<u>533,000</u>	<u>573,282</u>	<u>487,262</u>
Total fire protection	<u>1,552,483</u>	<u>1,441,340</u>	<u>1,360,891</u>
Recreation			
Recreation department			
Salaries	102,000	126,973	101,623
Benefits	29,560	32,247	26,601
Professional services	3,000	(1,876)	-
Communications	200	239	115
Operations	252,960	249,448	289,460
Total recreation department	<u>387,720</u>	<u>407,031</u>	<u>417,799</u>
Public Works			
Salaries	942,050	874,214	912,767
Benefits	377,674	363,260	366,838
Professional services	5,000	6,086	1,869
Communications	6,340	1,568	8,564
Operations	399,000	355,872	375,404
Interfund cost transfer	(530,500)	(530,500)	(525,000)
Total administration	<u>1,199,564</u>	<u>1,070,500</u>	<u>1,140,442</u>
Total expenditures	<u>\$ 10,222,419</u>	<u>\$ 9,786,822</u>	<u>\$ 9,826,917</u>

**VILLAGE OF LYONS, ILLINOIS
COMBINING BALANCE SHEET
ECONOMIC DEVELOPMENT (TIF FUNDS)
DECEMBER 31, 2019**

	TIF District # 1	TIF District # 2	TIF District # 3	TIF District # 4	Totals
Assets					
Cash and cash equivalents	\$ 11,763	\$ 939	\$ 1,163	\$ 136,214	\$ 150,079
Property tax receivable	-	-	868	-	868
Total assets	<u>\$ 11,763</u>	<u>\$ 939</u>	<u>\$ 2,031</u>	<u>\$ 136,214</u>	<u>\$ 150,947</u>
Liabilities					
Accounts payable	-	-	-	67,973	67,973
Other liabilities	6,222	-	-	-	6,222
Advance from other funds	-	-	-	-	-
Total liabilities	<u>6,222</u>	<u>-</u>	<u>-</u>	<u>67,973</u>	<u>74,195</u>
Fund Balances					
Restricted	<u>5,541</u>	<u>939</u>	<u>2,031</u>	<u>68,241</u>	<u>76,752</u>
Total fund balances	<u>5,541</u>	<u>939</u>	<u>2,031</u>	<u>68,241</u>	<u>76,752</u>
Total liabilities and fund balances	<u>\$ 11,763</u>	<u>\$ 939</u>	<u>\$ 2,031</u>	<u>\$ 136,214</u>	<u>\$ 150,947</u>

VILLAGE OF LYONS, ILLINOIS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
ECONOMIC DEVELOPMENT (TIF FUNDS)
FOR THE YEAR ENDED DECEMBER 31, 2019

	TIF District # 1	TIF District # 2	TIF District # 3	TIF District # 4	Totals
Revenues					
Incremental property taxes	\$ 268,237	\$ 191,215	\$ 618,716	\$ 73,750	\$ 1,151,918
Total revenues	<u>268,237</u>	<u>191,215</u>	<u>618,716</u>	<u>73,750</u>	<u>1,151,918</u>
Expenditures					
Community development	-	-	-	5,046	5,046
Cost of issuance	-	-	-	26,000	26,000
Capital outlay	-	-	-	28,542	28,542
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,588</u>	<u>59,588</u>
Excess (Deficiency) of Revenues over Expenditures	<u>268,237</u>	<u>191,215</u>	<u>618,716</u>	<u>14,162</u>	<u>1,092,330</u>
Other Financing Sources (Uses)					
Bond proceeds	-	-	-	800,000	800,000
Transfers in	-	-	-	310,000	310,000
Transfers out	(263,000)	(192,000)	(618,000)	(196,000)	(1,269,000)
Total other financing sources (uses)	<u>(263,000)</u>	<u>(192,000)</u>	<u>(618,000)</u>	<u>914,000</u>	<u>(159,000)</u>
Net Changes in Fund Balances	<u>5,237</u>	<u>(785)</u>	<u>716</u>	<u>928,162</u>	<u>933,330</u>
Fund Balances - Beginning of Year	<u>304</u>	<u>1,724</u>	<u>1,315</u>	<u>(859,921)</u>	<u>(856,578)</u>
Fund Balances - End of Year	<u>\$ 5,541</u>	<u>\$ 939</u>	<u>\$ 2,031</u>	<u>\$ 68,241</u>	<u>\$ 76,752</u>

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
TIF #1 OPERATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Taxes			
Incremental property taxes	\$ 275,000	\$ 268,237	\$ 238,035
Total revenues	275,000	268,237	238,035
Expenditures			
Community development	15,000	-	14,451
Total expenditures	15,000	-	14,451
Excess (Deficiency) of Revenues over Expenditures	260,000	268,237	223,584
Other Financing Sources (Uses)			
Transfers out	(260,000)	(263,000)	(227,500)
Total other financing sources (uses)	(260,000)	(263,000)	(227,500)
Net Change in Fund Balance	\$ -	5,237	(3,916)
Fund Balance - Beginning of Year		304	4,220
Fund Balance - End of Year		\$ 5,541	\$ 304

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
TIF #2 OPERATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Taxes			
Incremental property taxes	\$ 185,000	\$ 191,215	\$ 180,453
Total revenues	<u>185,000</u>	<u>191,215</u>	<u>180,453</u>
Expenditures			
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>185,000</u>	<u>191,215</u>	<u>180,453</u>
Other Financing Sources (Uses)			
Transfers out	(185,000)	(192,000)	(181,000)
Total other financing sources (uses)	<u>(185,000)</u>	<u>(192,000)</u>	<u>(181,000)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(785)</u>	<u>(547)</u>
Fund Balance - Beginning of Year		<u>1,724</u>	<u>2,271</u>
Fund Balance - End of Year		<u>\$ 939</u>	<u>\$ 1,724</u>

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
TIF #3 OPERATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Taxes			
Incremental property taxes	\$ 600,000	\$ 618,716	\$ 389,195
Investment income	-	-	2
Total revenues	<u>600,000</u>	<u>618,716</u>	<u>389,197</u>
Expenditures			
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	<u>600,000</u>	<u>618,716</u>	<u>389,197</u>
Other Financing Sources (Uses)			
Transfers out	<u>(600,000)</u>	<u>(618,000)</u>	<u>(389,000)</u>
Total other financing sources (uses)	<u>(600,000)</u>	<u>(618,000)</u>	<u>(389,000)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>716</u>	<u>197</u>
Fund Balance - Beginning of Year		<u>1,315</u>	<u>1,118</u>
Fund Balance - End of Year		<u>\$ 2,031</u>	<u>\$ 1,315</u>

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
TIF #4 OPERATIONS FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Taxes			
Incremental property taxes	\$ 120,000	\$ 73,750	\$ 71,350
Total revenues	120,000	73,750	71,350
Expenditures			
Community development	-	5,046	-
Cost of issuance	-	26,000	-
Capital outlay	-	28,542	104,472
Total expenditures	-	59,588	104,472
Excess (Deficiency) of Revenues over Expenditures	120,000	14,162	(33,122)
Other Financing Sources (Uses)			
Bond proceeds	-	800,000	-
Transfers In	300,000	310,000	109,000
Transfers out	(400,000)	(196,000)	(75,850)
Total other financing sources (uses)	(100,000)	914,000	33,150
Net Change in Fund Balance	\$ 20,000	928,162	28
Fund Balance - Beginning of Year		(859,921)	(859,949)
Fund Balance - End of Year		\$ 68,241	\$ (859,921)

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Property taxes	\$ 655,900	\$ 667,092	\$ 636,974
Total revenues	<u>655,900</u>	<u>667,092</u>	<u>636,974</u>
Expenditures			
Debt service			
Principal retirement	1,795,000	5,010,000	2,065,000
Costs of issuance	-	63,771	-
Interest and fiscal charges	<u>1,210,111</u>	<u>1,269,105</u>	<u>1,250,218</u>
Total expenditures	<u>3,005,111</u>	<u>6,342,876</u>	<u>3,315,218</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(2,349,211)</u>	<u>(5,675,784)</u>	<u>(2,678,244)</u>
Other Financing Sources/(Uses)			
Bond proceeds	-	2,988,677	-
Premium on bonds	-	338,707	-
Transfers in	<u>2,384,114</u>	<u>2,199,000</u>	<u>1,737,926</u>
Total other financing sources/(uses)	<u>2,384,114</u>	<u>5,526,384</u>	<u>1,737,926</u>
Net Change in Fund Balance	<u>\$ 34,903</u>	<u>(149,400)</u>	<u>(940,318)</u>
Fund Balance - Beginning of Year		<u>219,580</u>	<u>1,159,898</u>
Fund Balance - End of Year		<u>\$ 70,180</u>	<u>\$ 219,580</u>

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Revenues			
Intergovernmental	\$ 285,000	\$ 353,877	\$ 274,616
Investment income	1,200	1,043	1,391
Grant revenue	-	34,534	480,492
Total revenues	<u>286,200</u>	<u>389,454</u>	<u>756,499</u>
Expenditures			
Costs of issuance	-	159,009	34,300
Capital outlay	1,500,000	1,659,541	1,536,449
Other expenses	-	-	42,425
Total expenditures	<u>1,500,000</u>	<u>1,818,550</u>	<u>1,613,174</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(1,213,800)</u>	<u>(1,429,096)</u>	<u>(856,675)</u>
Other Financing Sources (Uses)			
Bond proceeds	1,500,000	5,891,323	1,800,000
Bond premium	-	674,312	-
Transfers out	(250,000)	(300,000)	(250,000)
Total other financing sources(uses)	<u>1,250,000</u>	<u>6,265,635</u>	<u>1,550,000</u>
Net Change in Fund Balance	<u>\$ 36,200</u>	<u>4,836,539</u>	<u>693,325</u>
Fund Balance - Beginning of Year		<u>331,430</u>	<u>(361,895)</u>
Fund Balance - End of Year		<u>\$ 5,167,969</u>	<u>\$ 331,430</u>

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET
POSITION - BUDGET AND ACTUAL
WATER AND SEWER FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Operating Revenues			
Water sales	\$ 3,194,299	\$ 2,865,960	\$ 2,778,247
Sewer charges	130,046	122,823	120,902
Water tap charges	120	24,539	8,150
Late penalties	52,500	52,108	54,050
Water turn-on fees	1,500	1,000	1,000
Meter sales	5,500	13,205	4,859
Other	-	6,223	19,450
Total operating revenues	3,383,965	3,085,858	2,986,658
Operating Expenses			
Administration			
General fund administration charges	402,900	402,900	463,750
Total administration	402,900	402,900	463,750
Operations			
Water department			
Communications	30,500	28,431	23,250
Operations	1,914,000	1,979,303	2,009,263
General fund public works charges	280,500	280,500	206,250
Total water department	2,225,000	2,288,234	2,238,763
Sewer department			
Professional services	5,000	942	-
Operations	13,500	12,185	3,720
Total sewer department	18,500	13,127	3,720
Total operations	2,243,500	2,301,361	2,242,483
Depreciation and Amortization	265,000	290,070	255,245
Total operating expenses	2,911,400	2,994,331	2,961,478
Operating Income (Loss)	472,565	91,527	25,180
Nonoperating Revenues (Expenses)			
Interest expense	(181,724)	(169,964)	(140,039)
Total nonoperating revenues (expenses)	(181,724)	(169,964)	(140,039)
Change in Net Position	\$ 290,841	(78,437)	(114,859)
Net Position - Beginning of Year		3,904,806	4,019,665
Net Position - End of Year		\$ 3,826,369	\$ 3,904,806

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGE IN NET
POSITION - BUDGET AND ACTUAL
GARBAGE FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019		2018
	Final Budget	Actual	Actual
Operating Revenues			
Garbage collection	\$ 704,000	\$ 658,381	\$ 642,389
Late penalties	14,000	13,860	13,900
Toters	2,500	2,560	2,410
Garbage stickers	900	1,126	948
Total operating revenues	<u>721,400</u>	<u>675,927</u>	<u>659,647</u>
Operating Expenses			
Administration			
General fund administration charges	<u>127,500</u>	<u>125,000</u>	<u>125,000</u>
Total administration	<u>127,500</u>	<u>125,000</u>	<u>125,000</u>
Operations			
Professional services	225,000	212,794	204,007
Operations	51,000	55,497	69,502
General fund public works charges	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Total operations	<u>526,000</u>	<u>518,291</u>	<u>523,509</u>
Depreciation and Amortization	<u>40,000</u>	<u>64,657</u>	<u>63,016</u>
Total operating expenses	<u>693,500</u>	<u>707,948</u>	<u>711,525</u>
Operating Income (Loss)	<u>27,900</u>	<u>(32,021)</u>	<u>(51,878)</u>
Change in Net Position	<u>\$ 27,900</u>	<u>(32,021)</u>	<u>(51,878)</u>
Net Position - Beginning of Year		<u>(41,139)</u>	<u>10,739</u>
Net Position - End of Year		<u>\$ (73,160)</u>	<u>\$ (41,139)</u>

VILLAGE OF LYONS, ILLINOIS
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
DECEMBER 31, 2019

	Police Pension Fund	Firefighters' Pension Fund	Total
Assets			
Cash and cash equivalents	\$ 270,694	\$ 893	\$ 271,587
Interest receivable	27,197	-	27,197
Other receivables	1,183	-	1,183
Investments, at fair value			
U.S. treasuries	1,041,155	-	1,041,155
U.S. governmental agencies securities	1,485,186	-	1,485,186
State and local government securities	261,194	-	261,194
Corporate bonds	2,344,593	-	2,344,593
Mutual funds and equities	4,728,150	-	4,728,150
	<u>10,159,352</u>	<u>893</u>	<u>10,160,245</u>
Liabilities			
Accounts payable	<u>2,435</u>	<u>-</u>	<u>2,435</u>
	<u>2,435</u>	<u>-</u>	<u>2,435</u>
Net Position Held in Trust for Pension Benefits	<u><u>\$ 10,156,917</u></u>	<u><u>\$ 893</u></u>	<u><u>\$ 10,157,810</u></u>

VILLAGE OF LYONS, ILLINOIS
COMBINING SCHEDULE OF CHANGE IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019

	Police Pension Fund	Firefighters' Pension Fund	Total
Additions			
Contributions			
Employer	\$ 1,107,047	\$ 58,593	\$ 1,165,640
Plan members	90,495	-	90,495
Transfer from other plan	620,788	-	620,788
Total contributions	<u>1,818,330</u>	<u>58,593</u>	<u>1,876,923</u>
Investment earnings			
Interest and dividends	259,006	176	259,182
Net increase (decrease) in fair value of investments	<u>1,222,805</u>	<u>-</u>	<u>1,222,805</u>
Total investment earnings	1,481,811	176	1,481,987
Less investment expense	<u>(16,120)</u>	<u>-</u>	<u>(16,120)</u>
Net investment earnings	<u>1,465,691</u>	<u>176</u>	<u>1,465,867</u>
Total additions	<u>3,284,021</u>	<u>58,769</u>	<u>3,342,790</u>
Deductions			
Administration	35,534	-	35,534
Benefits and refunds	<u>2,168,582</u>	<u>58,593</u>	<u>2,227,175</u>
Total deductions	<u>2,204,116</u>	<u>58,593</u>	<u>2,262,709</u>
Change in Net Position	<u>1,079,905</u>	<u>176</u>	<u>1,080,081</u>
Net Position Held in Trust for Pension Benefits			
Beginning of Year	<u>9,077,012</u>	<u>717</u>	<u>9,077,729</u>
End of Year	<u>\$ 10,156,917</u>	<u>\$ 893</u>	<u>\$ 10,157,810</u>

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VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Final Budget</u>	<u>Actual</u>
Additions		
Contributions		
Employer	\$ 1,200,000	\$ 1,107,047
Plan members	79,523	90,495
Transfer from other plan	-	620,788
Total contributions	<u>1,279,523</u>	<u>1,818,330</u>
Investment earnings		
Interest and dividends	-	259,006
Net increase in fair value of investments	<u>-</u>	<u>1,222,805</u>
Total investment earnings	-	1,481,811
Less investment expense	-	(16,120)
Net investment earnings	<u>735,000</u>	<u>1,465,691</u>
Total additions	<u>2,014,523</u>	<u>3,284,021</u>
Deductions		
Administration	30,000	35,534
Benefits and refunds	<u>1,750,000</u>	<u>2,168,582</u>
Total deductions	<u>1,780,000</u>	<u>2,204,116</u>
Change in Net Position	<u>234,523</u>	<u>1,079,905</u>
Net Position Held in Trust for Pension Benefits		
Beginning of Year	<u>9,077,012</u>	<u>9,077,012</u>
End of Year	<u><u>\$ 9,311,535</u></u>	<u><u>\$ 10,156,917</u></u>

VILLAGE OF LYONS, ILLINOIS
SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION -
BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Original and Final Budget</u>	<u>Actual</u>
Additions		
Contributions		
Employer	\$ 58,600	\$ 58,593
Investment earnings		
Interest and dividends	150	176
Net investment earnings	150	176
Total additions	58,750	58,769
Deductions		
Benefits and refunds	58,593	58,593
Total deductions	58,593	58,593
Change in Net Position	157	176
Net Position Held in Trust for Pension Benefits		
Beginning of Year	717	717
End of Year	\$ 874	\$ 893

SUPPLEMENTAL SCHEDULES



VILLAGE OF LYONS, ILLINOIS

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Limited Tax Debt Certificate, Series 2016B
December 31, 2019**

Date of Issue	August 7, 2017
Date of Maturity	July 1, 2022
Original Issue Amount	\$900,000
Denomination of Bonds	\$5,000
Interest Rates	2.75%
Interest Payment Dates	January 1 and July 1
Principal Payment Dates	July 1
Form of Bonds	Physical
Payable at	Hinsdale Trust and Savings Bank
Repayment Source	General Fund Obligation

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 180,000	\$ 15,262	\$ 195,262
2021	185,000	10,312	195,312
2022	190,000	5,225	195,225
	<u>\$ 555,000</u>	<u>\$ 30,799</u>	<u>\$ 585,799</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**Ambulance Revolving Loan Program
December 31, 2019**

Date of Issue	August 26, 2026
Date of Maturity	November 1, 2026
Original Issue Amount	\$100,000
Denomination of Bonds	\$100,000
Interest Rates	0.00%
Interest Payment Dates	N/A
Principal Payment Dates	November 1
Form of Bonds	Physical Note with IDFA
Payable at	Amalgamated Bank of Chicago
Repayment Source	General Fund Appropriations

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIRMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 10,000	\$ -	\$ 10,000
2021	10,000	-	10,000
2022	10,000	-	10,000
2023	10,000	-	10,000
2024	10,000	-	10,000
2025	10,000	-	10,000
2026	10,000	-	10,000
	<u>\$ 70,000</u>	<u>-</u>	<u>\$ 70,000</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2015C
December 31, 2019**

Date of Issue	December 30, 2015
Date of Maturity	December 1, 2025
Original Issue Amount	\$4,405,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	General Obligation Property Tax

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 435,000	\$ 99,000	\$ 534,000
2021	445,000	85,950	530,950
2022	465,000	68,150	533,150
2023	485,000	49,550	534,550
2024	500,000	30,150	530,150
2025	505,000	15,150	520,150
	<u>\$ 2,835,000</u>	<u>\$ 347,950</u>	<u>\$ 3,182,950</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds of 2015D
December 31, 2019**

Date of Issue	January 26, 2016
Date of Maturity	December 1, 2024
Original Issue Amount	\$555,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Limited Tax Property Tax Levy

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 95,000	\$ 20,150	\$ 115,150
2021	110,000	17,300	127,300
2022	115,000	14,000	129,000
2023	115,000	9,400	124,400
2024	120,000	4,800	124,800
	<u>\$ 555,000</u>	<u>\$ 65,650</u>	<u>\$ 620,650</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds (Alternate Revenue Source) of 2015B
December 31, 2019**

Date of Issue	December 30, 2015
Date of Maturity	December 1, 2038
Original Issue Amount	\$4,860,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Amalgamated Bank of Chicago
Repayment Source	Nonhome Rule Sales Taxes

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 155,000	\$ 221,700	\$ 376,700
2021	160,000	215,500	375,500
2022	165,000	209,100	374,100
2023	175,000	202,500	377,500
2024	180,000	195,500	375,500
2025	190,000	186,500	376,500
2026	200,000	177,000	377,000
2027	210,000	167,000	377,000
2028	220,000	156,500	376,500
2029	230,000	145,500	375,500
2030	245,000	134,000	379,000
2031	255,000	121,750	376,750
2032	270,000	109,000	379,000
2033	280,000	95,500	375,500
2034	295,000	81,500	376,500
2035	310,000	66,750	376,750
2036	325,000	51,250	376,250
2037	340,000	35,000	375,000
2038	360,000	18,000	378,000
	<u>\$ 4,565,000</u>	<u>\$ 2,589,550</u>	<u>\$ 7,154,550</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

General Obligation Bonds (Alternate Revenue Source) of 2015A
December 31, 2019

Date of Issue	January 26, 2016
Date of Maturity	December 1, 2029
Original Issue Amount	\$500,000
Denomination of Bonds	\$5,000
Interest Rates	4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Sales Tax Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ -	\$ 20,000	\$ 20,000
2021	-	20,000	20,000
2022	-	20,000	20,000
2023	-	20,000	20,000
2024	-	20,000	20,000
2025	-	20,000	20,000
2026	115,000	20,000	135,000
2027	120,000	15,400	135,400
2028	130,000	10,600	140,600
2029	135,000	5,400	140,400
	<u>\$ 500,000</u>	<u>\$ 171,400</u>	<u>\$ 671,400</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds (Alternate Revenue Source) of 2014A
December 31, 2019**

Date of Issue	December 23, 2014
Date of Maturity	December 1, 2024
Original Issue Amount	\$3,760,000
Denomination of Bonds	\$5,000
Interest Rates	5.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Incremental Tax Revenues and Sales Tax Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 500,000	\$ 138,000	\$ 638,000
2021	550,000	113,000	663,000
2022	570,000	85,500	655,500
2023	570,000	57,000	627,000
2024	570,000	28,500	598,500
	<u>\$ 2,760,000</u>	<u>\$ 422,000</u>	<u>\$ 3,182,000</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds (Alternate Revenue Source) of 2014B
December 31, 2019**

Date of Issue	December 23, 2014
Date of Maturity	December 1, 2035
Original Issue Amount	\$7,405,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 5.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	Village Treasurer
Repayment Source	Incremental Tax Revenues and Sales Tax Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 260,000	\$ 316,119	\$ 576,119
2021	250,000	308,319	558,319
2022	260,000	298,319	558,319
2023	280,000	287,919	567,919
2024	280,000	273,919	553,919
2025	440,000	259,919	699,919
2026	455,000	237,919	692,919
2027	465,000	215,169	680,169
2028	360,000	199,475	559,475
2029	375,000	186,875	561,875
2030	535,000	173,750	708,750
2031	555,000	147,000	702,000
2032	570,000	119,250	689,250
2033	600,000	90,750	690,750
2034	605,000	60,750	665,750
2035	610,000	30,500	640,500
	<u>\$ 6,900,000</u>	<u>\$ 3,205,950</u>	<u>\$ 10,105,950</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds (Alternate Revenue Source), Series 2017A
December 31, 2019**

Date of Issue	September 12, 2017
Date of Maturity	December 1, 2032
Original Issue Amount	\$3,200,000
Denomination of Bonds	\$1,000
Interest Rates	3.25%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	Physical
Payable at	Hinsdale Trust and Savings Bank
Repayment Source	Income Taxes and Telecommunication Taxes

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 202,000	\$ 104,000	\$ 306,000
2021	208,000	97,435	305,435
2022	215,000	90,675	305,675
2023	222,000	83,687	305,687
2024	229,000	76,472	305,472
2025	237,000	69,030	306,030
2026	245,000	61,327	306,327
2027	252,000	53,365	305,365
2028	260,000	45,175	305,175
2029	269,000	36,725	305,725
2030	278,000	27,982	305,982
2031	287,000	18,947	305,947
2032	296,000	9,620	305,620
	<u>\$ 3,200,000</u>	<u>\$ 774,440</u>	<u>\$ 3,974,440</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds (Alternate Revenue Source), Series 2018A
December 31, 2019**

Date of Issue	November 28, 2018
Date of Maturity	December 1, 2033
Original Issue Amount	\$1,800,000
Denomination of Bonds	\$1,000
Interest Rates	3.85%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	Physical
Payable at	Hinsdale Trust and Savings Bank
Repayment Source	Income Taxes and Telecommunication Taxes

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 100,000	\$ 67,375	\$ 167,375
2021	100,000	63,525	163,525
2022	100,000	59,675	159,675
2023	100,000	55,825	155,825
2024	100,000	51,975	151,975
2025	100,000	48,125	148,125
2026	100,000	44,275	144,275
2027	150,000	40,425	190,425
2028	150,000	34,650	184,650
2029	150,000	28,875	178,875
2030	150,000	23,100	173,100
2031	150,000	17,325	167,325
2032	150,000	11,550	161,550
2033	150,000	5,775	155,775
	<u>\$ 1,750,000</u>	<u>\$ 552,475</u>	<u>\$ 2,302,475</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Limited Tax Bonds, Series 2019A
December 31, 2019**

Date of Issue	December 20, 2019
Date of Maturity	December 1, 2028
Original Issue Amount	\$650,000
Denomination of Bonds	\$5,000
Interest Rates	4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	UMB Bank n.a.
Repayment Source	Limited Tax Property Tax Levy

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ -	\$ 24,628	\$ 24,628
2021	-	26,000	26,000
2022	-	26,000	26,000
2023	-	26,000	26,000
2024	120,000	26,000	146,000
2025	125,000	21,200	146,200
2026	130,000	16,200	146,200
2027	135,000	11,000	146,000
2028	140,000	5,600	145,600
	<u>\$ 650,000</u>	<u>\$ 182,628</u>	<u>\$ 832,628</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**General Obligation Bonds (Alternate Revenue Source), Series 2019B
December 31, 2019**

Date of Issue	December 20, 2019
Date of Maturity	December 1, 2041
Original Issue Amount	\$8,230,000
Denomination of Bonds	\$5,000
Interest Rates	4.00%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	UMB Bank n.a.
Repayment Source	Sales Tax and Property Tax Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ -	\$ 311,826	\$ 311,826
2021	-	329,200	329,200
2022	-	329,200	329,200
2023	250,000	329,200	579,200
2024	50,000	319,200	369,200
2025	510,000	317,200	827,200
2026	435,000	296,800	731,800
2027	-	279,400	279,400
2028	-	279,400	279,400
2029	-	279,400	279,400
2030	-	279,400	279,400
2031	-	279,400	279,400
2032	-	279,400	279,400
2033	120,000	279,400	399,400
2034	305,000	274,600	579,600
2035	350,000	262,400	612,400
2036	1,005,000	248,400	1,253,400
2037	1,050,000	208,200	1,258,200
2038	1,085,000	166,200	1,251,200
2039	1,300,000	122,800	1,422,800
2040	1,365,000	70,800	1,435,800
2041	405,000	16,200	421,200
	<u>\$ 8,230,000</u>	<u>\$ 5,558,026</u>	<u>\$ 13,788,026</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**Taxable General Obligation Bonds (Alternate Revenue Source), Series 2019C
December 31, 2019**

Date of Issue	December 20, 2019
Date of Maturity	December 1, 2023
Original Issue Amount	\$800,000
Denomination of Bonds	\$5,000
Interest Rates	2.15 - 2.45%
Interest Payment Dates	June 1 and December 1
Principal Payment Dates	December 1
Form of Bonds	DTC Global Book Entry
Payable at	UMB Bank n.a.
Repayment Source	Sales Tax and Property Tax Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 165,000	\$ 17,256	\$ 182,256
2021	155,000	14,670	169,670
2022	250,000	11,260	261,260
2023	230,000	5,635	235,635
	<u>\$ 800,000</u>	<u>\$ 48,821</u>	<u>\$ 848,821</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

IEPA Loan L175137

December 31, 2019

Date of Issue	December 17, 2016
Date of Maturity	December 1, 2034
Original Issue Amount	\$1,312,216
Denomination of Bonds	N/A
Interest Rates	2.21%
Interest Payment Dates	June 17 and December 17
Principal Payment Dates	June 17 and December 17
Form of Bonds	Physical Note
Payable at	Amalgamated Bank of Chicago
Repayment Source	Water Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 65,015	\$ 22,116	\$ 87,131
2021	66,319	20,812	87,131
2022	67,648	19,483	87,131
2023	69,005	18,126	87,131
2024	70,388	16,743	87,131
2025	71,799	15,332	87,131
2026	73,239	13,892	87,131
2027	74,707	12,424	87,131
2028	76,205	10,926	87,131
2029	77,733	9,398	87,131
2030	79,292	7,839	87,131
2031	80,881	6,250	87,131
2032	82,503	4,628	87,131
2033	84,157	2,974	87,131
2034	85,845	1,286	87,131
	<u>\$ 1,124,738</u>	<u>\$ 182,229</u>	<u>\$ 1,306,967</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

IEPA Loan L175303

December 31, 2019

Date of Issue	August 13, 2016
Date of Maturity	August 13, 2036
Original Issue Amount	\$4,607,811
Denomination of Bonds	N/A
Interest Rates	2.21%
Interest Payment Dates	February 13 and August 13
Principal Payment Dates	February 13 and August 13
Form of Bonds	Physical Note
Payable at	Amalgamated Bank of Chicago
Repayment Source	Water Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 198,870	\$ 88,503	\$ 287,373
2021	203,289	84,084	287,373
2022	207,807	79,566	287,373
2023	212,425	74,948	287,373
2024	217,145	70,228	287,373
2025	221,971	65,402	287,373
2026	226,903	60,470	287,373
2027	231,946	55,427	287,373
2028	237,100	50,273	287,373
2029	242,369	45,004	287,373
2030	247,755	39,618	287,373
2031	253,260	34,113	287,373
2032	258,888	28,485	287,373
2033	264,641	22,732	287,373
2034	270,522	16,851	287,373
2035	276,534	10,839	287,373
2036	282,679	4,694	287,373
	<u>\$ 4,054,105</u>	<u>\$ 831,237</u>	<u>\$ 4,885,342</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

IEPA Loan L175136

December 31, 2019

Date of Issue	November 1, 2017
Date of Maturity	November 1, 2037
Original Issue Amount	\$1,172,921
Denomination of Bonds	N/A
Interest Rates	1.995%
Interest Payment Dates	May 1 and November 1
Principal Payment Dates	May 1 and November 1
Form of Bonds	Physical Note
Payable at	Amalgamated Bank of Chicago
Repayment Source	Water Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 50,907	\$ 21,504	\$ 72,411
2021	51,928	20,483	72,411
2022	52,969	19,442	72,411
2023	54,031	18,380	72,411
2024	55,115	17,296	72,411
2025	56,219	16,192	72,411
2026	57,347	15,064	72,411
2027	58,496	13,915	72,411
2028	59,670	12,741	72,411
2029	60,866	11,545	72,411
2030	62,086	10,325	72,411
2031	63,331	9,080	72,411
2032	64,601	7,810	72,411
2033	65,895	6,516	72,411
2034	67,217	5,194	72,411
2035	68,564	3,847	72,411
2036	69,732	2,679	72,411
2037	71,551	860	72,411
	<u>\$ 1,090,525</u>	<u>\$ 212,873</u>	<u>\$ 1,303,398</u>

VILLAGE OF LYONS, ILLINOIS

Long-Term Debt Requirements

**Water System Interconnection Loan from Village of McCook, Illinois
December 31, 2019**

Date of Issue	June 18, 2018
Date of Maturity	May 1, 2029
Original Issue Amount (Final Costs Pending)	\$985,000
Denomination of Bonds	N/A
Interest Rates	3.750%
Interest Payment Dates	Monthly
Principal Payment Dates	Monthly
Form of Bonds	Physical Note
Payable at	Village of McCook
Repayment Source	Water Revenues

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31	Principal	Interest	Total
2020	\$ 110,763	\$ 44,132	\$ 154,895
2021	114,989	39,906	154,895
2022	119,376	35,519	154,895
2023	123,930	30,965	154,895
2024	128,658	26,237	154,895
2025	133,567	21,328	154,895
2026	138,662	16,233	154,895
2027	143,953	10,942	154,895
2028	149,445	5,450	154,895
2029	63,938	603	64,541
	<u>\$ 1,227,281</u>	<u>\$ 231,315</u>	<u>\$ 1,458,596</u>

STATISTICAL SECTION



VILLAGE OF LYONS, ILLINOIS

STATISTICAL SECTION

This part of the Village of Lyon's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Village's overall financial health.

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Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time. 119 - 123

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax. 124 - 130

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future. 131 - 134

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place. 135 - 136

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs. 137 - 139

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year.

Village of Lyons, Illinois

Net Position by Components - Last Ten Fiscal Years
December 31, 2019

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Governmental Activities										
Net Investment in Capital Assets	\$19,736,258	\$20,428,433	\$20,733,759	\$24,120,696	\$24,028,979	\$23,877,452	\$23,941,275	\$23,076,960	\$23,733,886	\$18,392,615
Restricted	4,459,103	2,800,613	833,818	288,292	284,283	540,233	952,825	1,801,391	1,015,923	5,610,518
Unrestricted	(15,937,194)	(15,318,067)	(14,697,556)	(18,181,919)	(18,179,590)	(28,480,210)	(29,964,747)	(29,963,932)	(31,669,283)	(30,242,132)
Total Governmental Activities Net Assets	\$ 8,258,167	\$ 7,910,979	\$ 6,870,021	\$ 6,227,069	\$ 6,133,672	\$ (4,062,525)	\$ (5,070,647)	\$ (5,085,581)	\$ (6,919,474)	\$ (6,238,999)
Business-Type Activities										
Net Investment in Capital Assets	\$3,052,303	\$3,634,397	\$3,597,692	\$3,513,090	\$3,515,061	\$3,714,186	\$3,501,873	\$3,899,520	\$4,084,060	\$4,099,110
Restricted	296,359	0	0	0	0	0	0	0	0	0
Unrestricted	754,717	353,163	76,370	(21,475)	(428,965)	(284,076)	369,522	122,029	(220,393)	(345,901)
Total Business-Type Activities Net Assets	\$ 4,103,379	\$ 3,987,560	\$ 3,674,062	\$ 3,491,615	\$ 3,086,096	\$ 3,430,110	\$ 3,871,395	\$ 4,021,549	\$ 3,863,667	\$ 3,753,209
Primary Government										
Net Investment in Capital Assets	\$22,788,561	\$24,062,830	\$24,331,451	\$27,633,786	\$27,544,040	\$27,591,638	\$27,443,148	\$26,976,480	\$27,817,946	\$22,491,725
Restricted	4,755,462	2,800,613	833,818	288,292	284,283	540,233	952,825	1,801,391	1,015,923	5,610,518
Unrestricted	(15,182,477)	(14,964,904)	(14,621,186)	(18,203,394)	(18,608,555)	(28,764,286)	(29,595,225)	(29,841,903)	(31,889,676)	(30,588,033)
Total Primary Government Net Assets	\$12,361,546	\$11,898,539	\$10,544,083	\$9,718,684	\$9,219,768	(\$632,415)	(\$1,199,252)	(\$1,064,032)	(\$3,055,807)	(\$2,485,790)

Source: Audited Financial Statements

Village of Lyons, Illinois

Changes in Net Position - Last Ten Fiscal Years
December 31, 2019

Expenses	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
General Government	\$1,685,481	\$1,528,127	\$1,348,182	\$1,536,145	\$1,729,478	\$1,865,424	\$1,807,350	\$2,350,024	\$1,924,824	\$2,325,225
Building, Planning and Zoning	296,747	319,331	440,947	479,751	476,145	568,950	731,497	805,699	680,565	795,635
Health	35,090	0	0	0	0	0	0	0	0	0
Public Safety	6,125,926	7,140,102	7,042,319	7,044,409	5,874,583	6,528,648	5,890,210	6,266,518	6,376,087	5,226,877
Community Development	330,862	177,514	25,590	39,880	42,304	31,542	23,291	157,477	118,923	33,588
Recreation	167,755	177,251	248,014	309,163	289,766	205,666	454,698	384,118	425,318	410,522
Public Works	1,126,561	1,436,823	1,754,019	1,202,993	1,450,537	2,519,118	2,212,930	1,427,524	1,862,056	2,186,810
Interest on Long-Term Debt	1,573,178	1,137,134	902,416	872,907	1,154,493	1,183,296	1,035,939	1,058,539	1,123,097	1,355,918
Total Governmental Activities Expenses	11,341,600	11,916,282	11,761,487	11,485,248	11,017,306	12,902,644	12,155,915	12,449,899	12,510,870	12,334,575
Business-Type Activities										
Water and Sewer	1,863,889	2,014,832	2,437,881	2,490,297	2,960,056	2,893,470	2,844,290	2,939,089	3,101,517	3,164,295
Garbage	629,687	658,181	658,922	674,554	693,233	569,206	591,903	648,637	711,525	707,948
Emergency 911	135,336	138,632	115,173	120,568	111,226	6,547	0	28,448	128,041	0
Total Business-Type Activities Expenses	2,628,912	2,811,645	3,211,976	3,285,419	3,764,515	3,469,223	3,436,193	3,616,174	3,941,083	3,872,243
Total Primary Government Expenses	\$13,970,512	\$14,727,927	\$14,973,463	\$14,770,667	\$14,781,821	\$16,371,867	\$15,592,108	\$16,066,073	\$16,451,953	\$16,206,818
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$1,031,973	\$1,331,249	\$880,750	\$948,563	\$911,845	\$1,027,644	\$978,444	\$921,095	\$1,331,897	\$1,368,451
Building, Planning and Zoning	89,165	94,357	198,019	170,375	214,452	224,641	250,017	260,060	273,410	293,076
Health	4,156	0	0	0	0	0	0	0	0	0
Public Safety	796,656	738,916	900,714	985,880	786,129	906,689	686,720	761,112	600,417	722,973
Recreation	61,267	53,122	92,483	31,311	12,076	22,270	17,070	26,049	19,002	20,914
Public Works	0	33,125	10,942	11,468	7,728	6,802	8,337	5,053	3,902	4,053
Operating Grants / Contributions	41,694	483,031	297,668	335,379	319,965	275,584	273,167	273,660	297,630	379,325
Capital Grants / Contributions	453,891	454,730	403,155	205,322	125,503	337,521	80,148	539,434	480,492	34,534
Total Governmental Activities Program Revenues	2,478,802	3,188,530	2,783,731	2,688,298	2,377,698	2,801,151	2,293,903	2,786,463	3,006,750	2,823,326
Business Type Activities										
Charges for Services										
Water and Sewer	2,427,945	2,347,371	2,411,555	2,351,117	2,630,996	3,093,861	3,047,206	3,029,504	2,986,658	3,085,858
Garbage	628,108	641,532	620,191	641,238	638,645	633,957	641,543	645,991	659,647	675,927
Emergency 911	89,684	98,594	111,750	110,563	89,353	85,418	129,406	90,833	136,896	0
Total Business-Type Activities Program Revenues	3,145,737	3,087,497	3,143,496	3,102,918	3,358,994	3,813,236	3,818,155	3,766,328	3,783,201	3,761,785
Total Primary Government Program Revenues	\$5,624,539	\$6,276,027	\$5,927,227	\$5,791,216	\$5,736,692	\$6,614,387	\$6,112,058	\$6,552,791	\$6,789,951	\$6,585,111
Net (Expense) Revenue										
Governmental Activities	(\$8,862,798)	(\$8,727,753)	(\$8,977,754)	(\$8,796,950)	(\$8,639,608)	(\$10,101,493)	(\$9,862,012)	(\$9,663,436)	(\$9,504,120)	(\$9,511,249)
Business-Type Activities	516,825	275,852	(68,480)	(182,501)	(405,521)	344,013	381,962	150,154	(157,882)	(110,458)
Total Primary Government Net (Expense) Revenue	(\$8,345,973)	(\$8,451,901)	(\$9,046,234)	(\$8,979,451)	(\$9,045,129)	(\$9,757,480)	(\$9,480,050)	(\$9,513,282)	(\$9,662,002)	(\$9,621,707)

Village of Lyons, Illinois

Changes in Net Position - Last Ten Fiscal Years
December 31, 2018

General Revenues and Other Changes in Net Assets										
Governmental Activities										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Taxes										
Property	\$4,714,211	\$4,445,726	\$4,425,020	\$4,480,780	\$4,500,783	\$4,569,857	\$4,524,994	\$4,657,070	\$4,424,545	\$4,861,203
Sales	1,210,847	1,118,951	1,215,058	1,326,214	1,439,266	1,954,937	2,310,479	2,240,207	2,409,715	2,370,918
Income	808,584	835,046	963,368	1,037,442	1,041,844	1,145,623	1,021,538	986,041	1,024,039	1,145,216
Utility	980,222	895,263	857,152	866,713	865,854	771,149	750,312	719,643	709,902	672,587
Other	63,652	276,226	291,548	385,639	597,799	802,082	855,966	916,021	994,883	1,095,627
Interest	9,728	52,741	2,297	599	574	1,680	21,776	9,474	19,203	23,884
Miscellaneous	229,451	50,013	28,772	56,611	100,091	85,153	70,387	120,046	38,395	22,289
Transfers	-85,325	400,000	250,000	0	0	0	-59,323	0	0	0
Total Governmental Activities	7,931,370	8,073,966	8,033,215	8,153,998	8,546,211	9,330,481	9,496,129	9,648,502	9,620,682	10,191,724
Business-Type Activities										
Property Taxes	42,547	7,215	4,970	0	0	0	0	0	0	0
Interest	2,029	1,114	13	54	2	1	0	0	0	0
Transfers	85,325	-400,000	-250,000	0	0	0	59,323	0	0	0
Total Business-Type Activities	129,901	-391,671	-245,017	54	2	1	59,323	0	0	0
Total Primary Government	\$8,061,271	\$7,682,295	\$7,788,198	\$8,154,052	\$8,546,213	\$9,330,482	\$9,555,452	\$9,648,502	\$9,620,682	\$10,191,724
Changes in Net Assets										
Governmental Activities	(\$931,428)	(\$653,788)	(\$944,538)	(\$642,952)	(\$93,397)	(\$771,012)	(\$365,883)	(\$14,934)	\$116,562	\$680,475
Business-Type Activities	646,726	(115,819)	(313,497)	(182,447)	(405,519)	344,014	441,285	150,154	(157,882)	(110,458)
Total Primary Government	(\$284,702)	(\$769,607)	(\$1,258,035)	(\$825,399)	(\$498,916)	(\$426,998)	\$75,402	\$135,220	(\$41,320)	\$570,017

Village of Lyons, Illinois

Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund										
Reserved	\$193,317	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved	1,701,181	0	0	0	0	0	0	0	0	0
Nonspendable	0	10,000	447,884	366,150	645,662	874,399	878,093	782,949	927,328	415,485
Restricted	0	244,092	388,026	268,684	264,675	536,776	536,776	641,493	464,913	372,369
Committed	0	0	0	0	0	0	0	0	0	0
Assigned	0	0	0	0	0	0	0	0	0	0
Unassigned	0	1,294,897	658,941	261,032	1,202,596	1,077,688	1,083,111	954,264	790,896	1,475,047
Total General Fund	1,894,498	1,548,989	1,494,851	895,866	2,112,933	2,488,863	2,497,980	2,378,706	2,183,137	2,262,901
All Other Governmental Funds										
Reserved	\$4,570,300	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unreserved, Reported in,										
Special Revenue Funds	0	0	0	0	0	0	0	0	0	0
Debt Service Funds	0	0	0	0	0	0	0	0	0	0
Nonspendable	0	92,532	725,393	725,708	615,753	515,978	341,173	0	0	0
Restricted	0	2,202,509	846,930	689,366	726,269	5,173,820	416,049	1,159,898	551,010	5,314,901
Committed	0	0	0	0	0	0	0	0	0	0
Assigned	0	0	0	0	0	0	0	0	0	0
Unassigned	0	0	-987,065	-1,240,561	-913,852	-649,406	-2,191,526	-1,214,235	-856,578	0
Total All Other Governmental Funds	\$ 4,570,300	\$ 2,295,041	\$ 585,258	\$ 174,513	\$ 428,170	\$ 5,040,392	\$ (1,434,304)	\$ (54,337)	\$ (305,568)	\$ 5,314,901

Data Source: Audited Financial Statements

Note: The Village implemented GASB No. 54 for the fiscal year ended December 31, 2011

Village of Lyons, Illinois

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$7,777,516	\$7,571,212	\$7,752,146	\$8,096,788	\$8,445,546	\$9,243,648	\$9,463,289	\$9,518,982	\$9,563,084	\$10,145,551
Intergovernmental	710,585	592,834	822,168	339,915	323,480	279,186	279,304	278,713	301,532	383,378
Licenses, Permits and Fees	421,844	450,983	508,378	469,363	486,190	520,405	572,215	652,801	687,859	682,215
Charges for Services	628,332	843,206	489,598	501,478	462,719	533,749	491,766	504,780	456,076	594,482
Fines and Forfeitures	588,273	660,965	730,685	762,770	643,181	608,067	459,170	461,115	299,997	345,497
Interest	9,728	52,741	2,297	599	574	1,680	21,776	9,474	19,203	23,884
Miscellaneous	359,219	445,555	506,675	671,383	562,219	944,897	599,563	1,009,100	1,299,681	840,043
Total Revenues	10,495,497	10,617,493	10,811,948	10,842,296	10,923,909	12,131,632	11,887,083	12,434,965	12,627,432	13,015,050
Expenditures										
General Government	1,450,212	1,421,314	1,125,557	1,282,102	1,330,033	1,327,582	1,763,851	1,839,894	1,892,052	1,915,457
Building, Planning and Zoning	286,812	319,331	440,947	479,751	517,305	589,989	707,981	717,232	654,348	772,773
Health	35,090	0	0	0	0	0	0	0	0	0
Public Safety	5,210,139	5,928,092	6,250,503	6,132,026	5,409,535	5,130,902	5,027,796	5,332,103	5,722,276	5,621,061
Community Development	330,862	36,948	25,590	39,880	42,304	31,542	15,645	17,477	14,451	5,046
Recreation	162,955	177,251	248,014	309,163	289,766	326,475	456,136	396,179	417,799	407,031
Public Works	958,963	1,246,848	1,056,045	909,667	928,457	1,200,474	1,039,227	1,183,387	1,140,442	1,070,500
Capital Outlay	290,512	2,265,926	1,224,228	436,594	701,087	1,337,768	7,860,813	3,655,080	1,640,921	1,688,083
Debt Service										
Principal Retirement	5,113,703	1,203,526	3,688,905	1,375,338	12,658,330	5,900,000	1,570,000	900,000	2,065,000	5,010,000
Interest and Fiscal Charges	1,920,783	1,039,025	866,080	887,506	1,166,959	1,015,420	1,147,680	1,121,047	1,250,218	1,269,105
Debt Issuance Costs	0	0	0	0	296,430	256,572	38,795	65,000	34,300	248,780
Other Expenses	0	0	0	0	0	0	0	46,873	42,425	0
Total Expenditures	15,760,031	13,638,262	14,925,869	11,852,027	23,340,206	17,116,724	19,627,924	15,274,272	14,874,232	18,007,836
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,264,534)	(3,020,768)	(4,113,921)	(1,009,731)	(12,416,297)	(4,985,092)	(7,740,841)	(2,839,307)	(2,246,800)	(4,992,786)
Other Financing Sources (Uses)										
Debt Issuance	9,000,000	0	2,100,000	0	12,680,000	9,265,000	1,255,000	4,100,000	1,800,000	9,680,000
Premium (Discount) on Debt Issuance	0	0	0	0	1,182,051	733,214	79,585	0	0	1,013,019
Transfers In	2,515,356	1,610,069	1,780,299	1,066,662	2,299,441	2,344,000	2,093,500	2,030,000	1,987,926	2,499,000
Transfers Out	(2,600,681)	(1,210,069)	(1,530,299)	(1,066,662)	(2,299,441)	(2,344,000)	(2,152,823)	(2,030,000)	(1,987,926)	(2,499,000)
Total Other Financing Sources (Uses)	8,914,675	400,000	2,350,000	0	13,862,051	9,998,214	1,275,262	4,100,000	1,800,000	10,693,019
Net Change in Fund Balances	3,650,141	(2,620,768)	(1,763,921)	(1,009,731)	1,445,754	5,013,122	(6,465,579)	1,260,693	(446,800)	5,700,233
Debt Service as a Percentage of Noncapital Expenditures	45.00%	19.53%	32.01%	19.42%	59.95%	43.83%	21.86%	17.53%	24.72%	38.14%

Village of Lyons, Illinois

General Governmental Tax Revenues by Source - Last Ten Fiscal Years
December 31, 2019

Fiscal Year	Property Tax	Income Tax	Sales Tax	Home Rule Sales Tax	Personal Prop Replacement Tax	Utility Tax	Motor Fuel Tax	Other Taxes
2010	\$4,655,627	\$808,584	\$1,076,302	\$0	\$58,584	\$980,222	\$422,299	\$198,197
2011	4,445,726	835,046	1,118,951	0	59,100	895,263	262,971	222,787
2012	4,425,020	963,368	1,215,058	0	51,519	857,153	261,499	240,029
2013	4,480,780	1,037,442	1,326,214	0	57,336	866,713	293,234	328,303
2014	4,500,783	1,041,844	1,439,266	0	58,573	865,854	265,788	539,226
2015	4,569,857	1,145,623	1,578,125	376,812	70,928	771,149	262,296	731,154
2016	4,524,994	1,021,538	1,559,728	750,751	56,789	750,312	273,167	799,177
2017	4,657,070	986,041	1,496,129	744,078	55,797	719,643	273,660	860,224
2018	4,424,545	1,024,039	1,590,979	818,736	53,933	709,902	274,616	940,950
2019	4,861,203	1,145,216	1,549,922	820,996	69,841	672,587	353,877	1,025,786

Motor Fuel Tax is presented as Intergovernmental Revenue in the financial statements

Source: Audited Financial Statements

Village of Lyons, Illinois

Equalized Valuation and Estimated Market Value of Taxable Property - Last Ten Fiscal Years
December 31, 2019

Fiscal Year Ended Dec. 31	Tax Levy Year	Residential Property	Railroad Property	Commercial Property	Industrial Property	Total Equalized Assessed Valuation (1)	Less: Homeowners Exemptions	Less: Tax Increment	Equalized Assessed Valuation for Taxation (2)	Total Direct Tax Rate (3)	Total Estimated Market Value (4)
2010	2009	223,391,421	62,681	52,868,794	44,691,415	321,014,311	(60,951,432)	(10,467,493)	249,595,386	1.3820	963,042,933
2011	2010	217,226,822	72,179	48,797,196	44,140,693	310,236,890	(49,883,529)	(11,096,055)	249,257,306	1.8320	930,710,670
2012	2011	151,279,095	85,986	37,997,780	33,311,430	222,674,291	(21,907,274)	(9,190,037)	191,576,980	2.0390	668,022,873
2013	2012	140,133,815	89,903	36,246,781	32,739,542	209,210,041	(24,046,601)	(7,989,377)	177,174,063	2.2040	627,630,123
2014	2013	130,351,610	95,181	33,690,456	32,531,369	196,668,616	(23,273,895)	(6,123,383)	167,271,338	2.4160	590,005,848
2015	2014	122,200,451	93,959	33,052,272	24,300,612	179,647,294	(20,234,765)	(6,880,649)	152,531,880	2.5030	538,941,882
2016	2015	119,822,475	104,988	32,695,783	22,967,680	175,590,926	(20,605,657)	(7,167,728)	147,817,541	2.4540	526,772,778
2017	2016	127,678,905	105,038	34,916,324	21,017,333	183,717,600	(21,371,708)	(7,675,933)	151,995,063	2.1221	551,152,800
2018	2017	151,545,656	96,781	40,713,787	29,782,975	222,139,199	(32,670,124)	(10,287,088)	179,181,987	2.2820	666,417,597
2019	2018	147,265,547	111,094	39,122,455	26,085,698	212,584,794	(32,423,945)	(9,936,063)	170,224,786	2.3110	637,754,382

Data Source: Office of the County Clerk

(1) Total Equalized Assessed Valuation of property based on the Assessed Valuation of property determined by the Cook County Assessor based on 10% of fair value for residential property and 25% of fair value for commercial and industrial property (except for certain exemptions) equalized by the Equalization Factor calculated by the Illinois Department of Revenue applicable to Cook County. Equalized Assessed Valuation should approximate 33% of the market value of taxable property in the Village.

(2) Total Equalized Assessed Valuation of the Village is reduced by Homeowners Exemptions and the Tax Increment (the Equalized Valuation of property in a Tax Increment District that exceeds the Frozen Level at the inception of the Tax Increment District) for purposes of billing and collecting taxes for the Village.

(3) Tax rate is \$ per \$100 of Equalized Assessed Valuation for Taxation.

(4) The Total Estimated Market Value of the Village is based on the Equalized Assessed Valuation before Homeowners Exemptions and Tax Increment multiplied by 3. This calculation assumes that the countrywide Equalization Factor adjusts Assessed Valuation in the Village to one third of market.

Village of Lyons, Illinois

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Village Direct Rates										
Corporate	0.1959	0.2591	0.2886	0.3896	0.4268	0.3724	0.3508	0.3128	0.3366	0.3628
Garbage	0.0020	0.0027	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Street and Bridge	0.0194	0.0257	0.0286	0.0359	0.0395	0.0326	0.0340	0.0260	0.0283	0.0279
IMRF	0.0616	0.0815	0.0908	0.0689	0.0758	0.0653	0.0623	0.0516	0.0554	0.0291
Police Protection	0.2597	0.3435	0.3826	0.4795	0.5270	0.4409	0.4320	0.3173	0.3415	0.3337
Fire Protection	0.1661	0.2197	0.2447	0.2697	0.2965	0.2613	0.2469	0.2068	0.2228	0.2180
Firefighter's Pension	0.0144	0.0191	0.0243	0.0330	0.0362	0.0392	0.0345	0.0317	0.0337	0.0343
Police Pension	0.1241	0.1642	0.1829	0.2697	0.3294	0.6101	0.6449	0.6375	0.6865	0.7558
Social Security	0.0416	0.0550	0.0613	0.0659	0.0725	0.0621	0.0593	0.0493	0.0529	0.0291
Auditing	0.0065	0.0086	0.0096	0.0180	0.0198	0.0262	0.0185	0.0210	0.0229	0.0233
Ambulance Service	0.1181	0.1563	0.1741	0.0899	0.0988	0.0980	0.0864	0.0567	0.0608	0.0581
Bond and Interest	0.2761	0.3690	0.4094	0.4478	0.4579	0.4644	0.4553	0.3881	0.4151	0.4135
Liability Insurance	0.0961	0.1271	0.1416	0.0354	0.0353	0.0294	0.0290	0.0233	0.0253	0.0250
Total Direct Rates	1.382	1.832	2.039	2.204	2.416	2.503	2.454	2.1221	2.2818	2.3106
Overlapping Rates										
Lyons Public Library	0.252	0.334	0.373	0.402	0.449	0.468	0.459	0.388	0.419	0.426
Lyons Elementary School District 103	3.377	4.367	4.856	5.293	5.418	5.924	5.796	5.062	5.416	5.550
J Sterling Morton High School District 201	1.858	2.454	2.732	2.954	3.216	3.339	3.251	2.875	3.036	3.128
Morton Community College District 527	0.392	0.504	0.556	0.613	0.670	0.698	0.680	0.583	0.619	0.645
Cook County	0.423	0.462	0.531	0.560	0.568	0.552	0.533	0.496	0.489	0.454
Cook County Consolidated Elections	0.000	0.025	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.030
Cook County Forest Preserve	0.051	0.058	0.063	0.069	0.069	0.069	0.063	0.062	0.060	0.059
Lyons Township (various functions)	0.161	0.198	0.213	0.231	0.231	0.237	0.227	0.193	0.201	0.198
Metropolitan Water Reclamation District	0.274	0.320	0.370	0.417	0.430	0.426	0.406	0.402	0.396	0.389
Des Plaines Valley Mosquito Abatement District	0.011	0.014	0.015	0.016	0.016	0.017	0.017	0.015	0.015	0.014
Total Direct and Overlapping Rates	8.181	10.568	11.748	12.790	13.483	14.267	13.886	12.229	12.933	13.204
Village of Lyons Percent Total	16.89%	17.34%	17.36%	17.23%	17.92%	17.54%	17.67%	17.35%	17.64%	17.50%

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value

Village of Lyons, Illinois

Principal Property Taxpayers - Current Year and Nine Years Ago
December 31, 2019

Taxpayer	2019			2010		
	Taxable Assessed Value (2018 EAV)	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value (2009 EAV)	Rank	Percentage of Total Village Taxable Assessed Value
Hasak (US) Cold Storage	\$8,254,509	1	3.73%	\$ 2,816,312	1	1.23%
G Miller Trust 4772	3,377,174	2	1.53%			
Safeguard Illinois	2,564,916	3	1.16%			
Natmi National Truck Terminal	2,461,172	4	1.11%			
Jack Phelan Chevrolet	1,630,640	5	0.74%	588,090	4	0.26%
PIMA LLC	1,513,668	6	0.68%			
Riverwalk Senior Apartments	1,282,775	7	0.58%	559,998	5	0.24%
CBKK Lyons LLC	1,249,894	8	0.57%			
Walgreens	1,168,488	9	0.53%	522,876	6	0.23%
7225 W Ogden Bldg Acct	1,063,099	10	0.48%			
Individual				1,252,987	2	0.55%
Fedex National Title				1,015,232	3	0.44%
Reliable Materials				496,353	7	0.22%
CTLTC CB				452,481	8	0.20%
ATR Land Inc				400,242	9	0.17%
NASA Properties Inc				399,998		0.17%
	<u>\$24,566,335</u>		<u>11.11%</u>	<u>\$8,504,569</u>		<u>3.71%</u>

Data Source: Office of the Cook County Clerk and County Treasurer

Village of Lyons, Illinois

Property Tax Levies and Collections - Last Ten Levy Years
December 31, 2019

Fiscal Year Ended Dec. 31	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2010	2009	\$4,114,616	N/A	N/A	N/A	\$3,960,952	96.27%
2011	2010	3,482,342	N/A	N/A	N/A	3,373,206	96.87%
2012	2011	3,545,087	N/A	N/A	N/A	3,439,826	97.03%
2013	2012	3,648,269	N/A	N/A	N/A	3,509,639	96.20%
2014	2013	3,723,629	3,488,750	93.69%	114,435	3,603,185	96.77%
2015	2014	3,718,582	3,526,198	94.82%	33,619	3,559,818	95.73%
2016	2015	3,732,140	3,474,607	93.09%	113,940	3,588,547	96.15%
2017	2016	3,764,416	3,649,360	96.94%	(8,828)	3,640,532	96.94%
2018	2017	3,839,590	3,676,402	95.75%	37,821	3,714,223	95.75%
2019	2018	3,915,644	3,702,326	94.55%	N/A	3,702,326	94.55%

Source: Office of the Clerk

N/A - Not Available

Village of Lyons, Illinois

**Sales Taxes by Category - Last Ten Fiscal Years
December 31, 2019**

Calendar Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Merchandise & Apparel	\$65,932	\$65,489	\$71,289	\$71,786	\$72,856	\$89,371	\$93,651	\$96,587	\$109,068	\$116,955
Food	105,256	107,359	112,079	117,213	120,577	120,168	124,434	138,468	146,891	152,123
Drinking and Eating Places	127,951	128,654	140,384	150,511	160,981	173,701	190,342	199,496	216,035	223,656
Furniture & H.H. & Radio	15,584	12,286	12,052	12,677	10,898	12,133	12,938	18,600	17,511	20,354
Lumber, Building, Hardware	20,365	20,168	21,633	21,729	29,936	28,073	26,287	26,513	28,578	28,210
Automobile and Filling Stations	383,692	422,341	457,034	466,417	513,846	634,885	645,712	605,326	633,621	620,376
Drugs & Miscellaneous Retail	197,426	205,372	221,378	266,301	274,294	257,663	281,231	270,273	258,867	247,112
Agriculture and All Others	151,142	154,787	167,402	210,145	240,920	245,978	168,123	126,129	166,502	187,390
Manufacturers	8,955	2,494	11,808	9,435	14,957	16,153	16,976	14,737	13,866	11,663
Totals	\$1,076,302	\$1,118,951	\$1,215,058	\$1,326,214	\$1,439,266	\$1,578,125	\$1,559,694	\$1,496,129	\$1,590,939	\$1,607,839

Data Source: Department of Revenue

Village of Lyons, Illinois

Non-Home Rule Sales Taxes by Category - Last Ten Fiscal Years
December 31, 2019

Calendar Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Merchandise & Apparel	N/A	N/A	N/A	N/A	N/A	\$ 47,377	\$ 89,846	\$ 92,453	\$ 104,409	\$ 111,921
Food	N/A	N/A	N/A	N/A	N/A	24,311	47,494	52,029	57,856	60,469
Drinking and Eating Places	N/A	N/A	N/A	N/A	N/A	86,152	187,798	198,811	215,525	223,279
Furniture & H.H. & Radio	N/A	N/A	N/A	N/A	N/A	5,814	12,659	18,561	17,471	20,315
Lumber, Building, Hardware	N/A	N/A	N/A	N/A	N/A	12,483	25,627	25,812	27,861	27,504
Automobile and Filling Stations	N/A	N/A	N/A	N/A	N/A	87,595	159,337	160,495	163,432	147,173
Drugs & Miscellaneous Retail	N/A	N/A	N/A	N/A	N/A	74,845	151,410	142,308	133,739	121,866
Agriculture and All Others	N/A	N/A	N/A	N/A	N/A	32,795	64,730	50,246	97,881	108,347
Manufacturers	N/A	N/A	N/A	N/A	N/A	5,270	11,173	12,327	11,438	9,633
Totals	N/A	N/A	N/A	N/A	N/A	376,642	750,074	753,042	829,613	830,507

Data Source: Department of Revenue

Village of Lyons, Illinois

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
December 31, 2019

Fiscal Year	Governmental Activities						Business-Type Activities				Total Government		
	Notes and Debt Certificates	General Obligation Bonds	Limited Tax Bonds	Alternate Revenue Bonds (GO)	TIF Revenue Bonds	Total	Payable	IEPA Revenue	Revenue	Total	Total Government	Percentage Of Personal Income (1)	Per Capita (1)
2010	\$15,093,416	\$5,955,000	\$925,000	\$1,895,000	\$2,992,686	\$26,861,102	\$290,437	\$0	\$670,000	\$960,437	\$27,821,539	11.18%	2,642
2011	14,768,573	5,685,000	835,000	1,685,000	2,684,000	25,657,573	199,609	0	0	199,609	25,857,182	10.60%	2,434
2012	16,423,668	5,405,000	740,000	1,500,000	0	24,068,668	102,923	0	0	102,923	24,171,591	9.33%	2,269
2013	15,558,330	5,115,000	645,000	1,375,000	0	22,693,330	0	0	0	0	22,693,330	9.20%	2,130
2014	6,190,000	4,815,000	545,000	11,165,000	0	22,715,000	0	1,069,873	0	1,069,873	23,784,873	9.97%	2,230
2015	5,205,000	5,138,213	445,000	17,090,359	0	27,878,572	0	3,840,336	0	3,840,336	31,718,908	13.33%	2,973
2016	4,325,000	4,788,524	895,000	17,473,667	0	27,482,191	0	6,524,030	0	6,524,030	34,006,221	13.69%	3,202
2017	4,820,000	4,350,851	785,000	20,592,995	0	30,548,846	0	6,716,459	0	6,716,459	37,265,305	15.35%	3,516
2018	4,120,000	3,903,178	670,000	21,457,323	0	30,150,501	985,000	6,577,559	0	7,562,559	37,713,060	14.48%	3,608
2019	625,000	2,835,000	1,205,000	31,035,175	0	35,700,175	1,227,281	6,269,368	0	7,496,649	43,196,824	N/A	4,165

Note: Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data

Village of Lyons, Illinois

Schedule of Direct and Overlapping Governmental Activities Debt
December 31, 2019

Governmental Unit	Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village	\$ 33,255,000	100.00%	\$ 33,255,000
Overlapping Debt			
Cook County	2,950,121,750	0.11%	3,245,134
School District 96	2,225,000	1.56%	34,710
School District 103	6,445,503	41.70%	2,687,775
High School District 201	64,944,586	10.56%	6,858,148
High School District 208	31,895,000	0.96%	306,192
Metropolitan Water Reclamation District	3,135,891,000	0.11%	3,449,480
Morton Community College District 527	8,335,000	10.56%	880,176
Lyons Township	1,630,000	4.38%	71,394
Cook County Forest Preserve	140,910,000	0.11%	155,001
Total Overlapping Debt	6,342,397,839		17,688,010
Total Direct and Overlapping Debt	6,375,652,839		50,943,010

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

Data Source: Cook County Tax Extension Department

Village of Lyons, Illinois

Ratios of General Bonded Debt Outstanding

December 31, 2019

Fiscal Year	General Obligation Debt Outstanding (1)	Less: Available Debt Service Fund Balance	Net General Obligation Debt Outstanding	Percentage of Market Value	Per Capita
2010	23,868,416	327,361	23,541,055	2.44%	2,236
2011	22,973,573	282,366	22,691,207	2.44%	2,136
2012	24,068,668	19,607	24,049,061	3.60%	2,258
2013	22,693,330	20,580	22,672,750	3.61%	2,128
2014	22,715,000	726,269	21,988,731	3.73%	2,061
2015	27,878,572	3,457	27,875,115	5.17%	2,613
2016	27,482,191	416,049	27,066,142	5.14%	2,548
2017	30,548,846	1,159,898	29,388,948	6.14%	2,773
2018	30,150,501	219,580	29,930,921	4.49%	2,864
2019	35,700,174	70,180	35,629,994	5.59%	3,435

(1) Debt includes General Obligation Bonds, Limited Tax Bonds, Alternate Revenue Bonds, and Debt Certificates and Notes Payable.

Village of Lyons, Illinois

Schedule of Legal Debt Margin - Last Ten Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Equalized Assessed Valuation (EAV) used for Tax Extension	\$249,595,386	\$249,257,306	\$191,576,980	\$177,174,063	\$167,271,338	\$152,531,880	\$147,817,541	\$130,623,355	\$179,181,987	\$170,224,786
Add: EAV Exemptions from Tax Extension	60,951,432	49,883,529	21,907,274	24,046,601	23,273,895	20,234,765	20,605,657	21,371,708	32,670,124	32,423,945
Add: EAV associated with TIF Districts	10,467,493	11,096,055	9,190,037	7,989,377	6,123,383	6,880,649	7,167,728	7,675,933	10,287,088	9,936,063
Total Applicable EAV	\$ 321,014,311	\$ 310,236,890	\$ 222,674,291	\$ 209,210,041	\$ 196,668,616	\$ 179,647,294	\$ 175,590,926	\$ 159,670,996	\$ 222,139,199	\$ 212,584,794
Legal Debt Limit--8.625% of Applicable EAV	\$ 27,687,484	\$ 26,757,932	\$ 19,205,658	\$ 18,044,366	\$ 16,962,668	\$ 15,494,579	\$ 15,144,717	\$ 13,771,623	\$ 19,159,506	\$ 18,335,438
Debt Applicable to the Limit										
Notes Payable and Debt Certificates	15,093,416	14,768,573	16,423,668	15,558,330	6,190,000	5,205,000	4,325,000	4,820,000	4,120,000	625,000
General Obligation Bonds	5,955,000	5,685,000	5,405,000	5,115,000	4,815,000	4,405,000	4,020,000	3,635,000	3,240,000	2,835,000
Limited Tax Bonds	925,000	835,000	740,000	645,000	545,000	445,000	895,000	785,000	670,000	1,205,000
Total Net Debt Applicable to the Limit	21,973,416	21,288,573	22,568,668	21,318,330	11,550,000	10,055,000	9,240,000	9,240,000	8,030,000	4,665,000
Legal Debt Margin	\$5,714,068	\$5,469,359	(\$3,363,010)	(\$3,273,964)	\$5,412,668	\$5,439,579	\$5,904,717	\$4,531,623	\$11,129,506	\$13,670,438
Total Net Debt Applicable to Limit as a Percentage of Debt Limit	79.36%	79.56%	117.51%	118.14%	68.09%	64.89%	61.01%	67.09%	41.91%	25.44%

Village of Lyons, Illinois

**Demographic and Economic Statistics - Last Ten Fiscal Years
December 31, 2019**

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	10,530	248,750,190	23,623	34.6	2,936	8.10%
2011	10,623	243,861,588	22,956	35.7	3,104	9.30%
2012	10,651	259,149,481	24,331	37.2	3,097	9.20%
2013	10,653	246,563,685	23,145	37.0	2,868	10.30%
2014	10,667	238,503,453	22,359	36.0	2,639	8.50%
2015	10,668	238,013,748	22,311	36.1	2,546	8.10%
2016	10,621	248,393,327	23,387	35.6	2,413	5.60%
2017	10,599	242,748,897	22,903	34.3	2,358	5.60%
2018	10,452	260,505,648	24,924	34.6	2,553	4.80%
2019	10,372	N/A	N/A	N/A	N/A	N/A

Data Source: US Census Bureau

N/A - Data not yet available at time of report

Village of Lyons, Illinois

Principal Employers - Current Year and Nine Years Ago
December 31, 2019

Employer	2019			2010		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
Elementary School District 103 (a)	244	1	12.01%	360	1	6.72%
ID Images	119	2	5.86%			
Hasak (US) Cold Storage	70	3	3.44%	115	2	2.15%
Accushim, Inc.	65	4	3.20%	60	4	1.12%
Atlas Tool & Die Works, Inc.	60	5	2.95%	55	6	1.03%
Village of Lyons	57	6	2.81%	63	3	1.18%
Reliable Materials Lyons	50	7	2.46%			
Freeway Ford	45	8	2.21%			
Roofs, Inc	30	9	1.48%			
BZB Riders	30	10	1.48%			
Mansfield and Sons				60	5	1.12%
Richards & Weber Construction				50	7	0.93%
Pelron Corp				44	8	0.80%
Standard Bank and Trust				43	9	0.78%
CB Newspaper Delivery				35	10	0.65%
	<u>770</u>		<u>37.89%</u>	<u>885</u>		<u>16.48%</u>

Source: 2019 Illinois Service Directory, 2019 Illinois Manufacturer's Directory, US Census Bureau, Village Records

Village of Lyons, Illinois

**Full-Time Equivalent Village Government Employees By Function - Last Ten Fiscal Years
December 31, 2019**

Function / Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Administration	3.0	4.0	5.0	4.0	4.5	5.5	6.0	5.0	5.0	5.0
Finance	2.0	1.5	2.5	2.5	3.5	5.0	3.5	4.0	4.0	4.5
Building, Planning and Zoning	3.5	4.0	5.0	5.5	4.5	5.5	5.5	5.0	6.0	6.0
Public Safety										
Police										
Officers	40.0	30.5	30.5	33.0	24.5	20.5	20.0	20.0	17.0	17.0
Civilians	9.5	11.0	11.0	11.0	8.0	7.0	4.0	5.5	2.5	2.5
Fire										
Firefighters and Officers (a)	7.0	6.0	7.0	7.0	8.0	7.0	7.5	7.5	5.0	4.0
Recreation	0.5	0.5	0.5	1.5	3.0	3.5	4.0	3.0	2.5	3.5
Public Works	8.5	13.0	13.0	14.0	18.0	16.5	15.5	16.5	14.5	14.0
Totals	74.0	70.5	74.5	78.5	74.0	70.5	66.0	66.5	56.5	56.5

Source: Village Payroll Records

(a) Fiscal year 2018 restated

Village of Lyons, Illinois

Operating Indicators by Function / Program - Last Ten Fiscal Years
December 31, 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Business Licenses	433	453	460	726	670	693	694	661	433	695
Liquor Licenses	46	35	28	37	29	38	36	48	40	46
Building, Planning, Zoning										
Building Permits Issued	444	465	469	562	607	632	766	760	664	690
Contractor Licenses Issued	217	253	318	342	357	373	468	407	368	387
Public Safety										
Police										
Part I Crimes	286	233	211	212	148	135	136	101	126	117
Physical Arrests	304	200	298	255	171	155	167	145	131	208
Parking Violations	5,513	5,211	4,910	4,881	1,781	2,380	4,121	4,787	4,081	5,862
Traffic Violations	2,614	2,436	2,862	2,433	889	730	580	713	1,091	1,091
Fire										
Emergency Responses	1,281	1,325	1,351	1,346	1,437	1,525	1,501	1,349	1,300	1,373
Fire Suppression Responses	1,258	1,270	1,151	1,093	1,150	1,041	1,156	1,112	1,078	1,196
Inspections	N/A	N/A	301	344	301	282	292	292	217	401
Water and Sewer										
Number of Metered Accounts	3,056	3,048	3,044	3,042	3,020	3,025	3,016	3,016	3,012	3,006
New Connections	3	4	2	0	1	3	2	3	3	2
Water Main Breaks	6	9	9	9	9	4	7	5	1	5
Water Average Daily Consumption (Thousands of Gallons)	1,141	1,198	1,206	1,269	1,262	1,232	1,095	867	1,006	994
Garbage										
Number of Accounts	2,598	2,596	2,587	2,576	2,575	2,577	2,610	2,622	2,602	2,611
Emergency 911										
Emergency Service Calls	2,748	2,476	2,584	2,792	3,013	3,051	2,770	5,678	6,932	S
Calls for Service	13,346	13,287	13,456	12,941	11,752	13,046	13,059	20,400	11,670	S

Data Source: Various Village departments

N/A - Data Not Available

S Operation no longer provided by the Village

Village of Lyons, Illinois

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2019**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Vehicles	1	1	1	1	1	1	1	2	3	3
Building, Planning & Zoning										
Vehicles	2	2	1	1	1	5	5	5	4	4
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area Patrols	3	3	3	3	3	3	3	3	3	3
Patrol Units	13	15	17	18	22	17	16	15	13	14
Fire										
Fire Stations	1	1	1	1	1	1	1	1	1	1
Fire Engines	2	2	2	2	2	2	2	2	2	2
Public Works										
Vehicles	10	11	11	11	4	12	10	7	12	13
Streets (Miles)	33	33	33	33	33	33	33	33	33	33
Streetlights	460	460	460	460	460	460	460	460	460	460
Traffic Signals	32	32	32	32	32	32	32	32	32	32
Water and Sewer										
Vehicles	3	4	4	4	4	4	3	3	4	4
Water Mains (Miles)	25	25	25	25	25	25	25	25	25	25
Fire Hydrants	360	360	360	360	360	360	360	360	360	360
Sanitary Sewers (Miles)	25	25	25	25	25	25	25	25	25	25
Storm Sewers (Miles)	25	25	25	25	25	25	25	25	25	25
Garbage										
Vehicles	0	0	0	0	0	3	3	3	3	3

Source: Various Village Departments